

# The NATIONAL UNDERWRITER

*Life Insurance Edition*

NOT FOR CIRCULATION  
TO BE RETURNED  
TO THE PUBLISHER

INS. LAB.

FEB 15 1937



## FIFTY-SEVENTH ANNUAL STATEMENT

December 31, 1936

### RESOURCES

Cash in Office and Banks... ( 4.3%)	\$1,611,073.09
Bonds:	
U. S. Government..... ( 5.9%)	2,199,579.82
State, Canadian and	
Municipal..... (19.8%)	7,386,792.12
Railroad..... ( 8.6%)	3,211,915.60
Public Utilities..... (18.4%)	6,845,778.20
Industrial and	
Miscellaneous..... ( .6%)	214,715.15
Stocks..... ( 4.3%)	1,606,957.39
Mortgage Loans:	
City..... ( 6.7%)	2,493,511.83
Farm..... ( 2.1%)	787,601.10
Loans to Policyholders..... (16.7%)	6,212,196.75
Real Estate (Including	
Home Office Bldg.)..... ( 7.0%)	2,624,704.94
Real Estate Sold Under	
Contract..... ( 1.3%)	464,925.40
Premiums (Net):	
Outstanding or deferred,	
secured by Policy	
Reserves..... ( 3.3%)	1,236,583.47
Interest due and accrued	
and other admitted	
assets..... ( 1.0%)	384,218.60
Total .....	\$37,280,553.46

### LIABILITIES

Reserves on Policies.....	\$31,692,691.09
Claims awaiting proof.....	106,194.00
Reserved for unreported claims .....	50,000.00
Reserved for Taxes payable in 1937....	195,000.00
Dividends for Policyholders.....	1,504,911.91
Interest paid in advance.....	135,534.86
Premiums paid in advance including	
Premium Deposit Funds.....	985,260.14
Additional Reserves .....	150,000.00
Other liabilities .....	30,136.96
Contingency Fund .....	350,000.00
Surplus .....	2,080,824.50
Total .....	\$37,280,553.46

INSURANCE IN FORCE.....\$203,691,664

Growth in 1936, \$5,831,102; In 10 Years 54%—All Companies 32%.

ASSETS.....\$37,280,553

Growth in 1936, \$3,404,364; In 10 Years 145%—All Companies 92%.

SURPLUS.....\$2,430,824

Growth in 1936, \$255,814; In 10 Years 94%—All Companies 44%.

F-A-C-T-S Booklet Sent on Request

## THE MINNESOTA MUTUAL LIFE INSURANCE COMPANY

SAINT PAUL, MINNESOTA

FRIDAY, FEBRUARY 12, 1937

In full color, this advertisement appears in a number of leading magazines as a part of the national advertising campaign of

# NEW YORK LIFE INSURANCE COMPANY



New York Life Insurance Company's reproduction of the painting "The Flying Cloud" by Montague Dawson. Courtesy of the owner, Philip Surval, Inc., New York City

## THROUGH EVERY "STORM"... SINCE 1845

Like a sturdy ship, the New York Life has come through every "storm" . . . every test . . . safe and staunch.

There are three major tests of the strength and stability of a life insurance company. Two of them apply to all financial institutions, and the third is a test of life insurance companies in particular: the *panics*, when thousands of people lose their hard-earned savings in speculative ventures or unfortunate investments . . . the *wars*, when the entire economic life of

the nation is thrown out of balance . . . the *epidemics*, which sweep the country and result in large total payments to those who have been protected through life insurance.

New York Life has repeatedly met these three tests since it was founded as a mutual life insurance company on April 12, 1845.

In the light of the panics, wars and epidemics of the past, it should be obvious why the New York Life adheres to

a philosophy of conservatism. In investing the assets which it holds for the benefit of its policyholders, the Company is guided by the principle that safety is always the first consideration. New York Life calculates its policy reserves on the most conservative basis used by American life insurance companies.

The margins of safety behind a New York Life policy are such that a policyholder need never worry about the security of his insurance in the New York Life.

SAFETY IS ALWAYS THE FIRST CONSIDERATION . . . NOTHING ELSE IS SO IMPORTANT

**The NEW YORK LIFE—A Mutual Company founded 92 years ago on April 12, 1845**

THOMAS A. BUCKNER, Chairman of the Board

51 MADISON AVENUE, NEW YORK, N. Y.

ALFRED L. AIKEN, President

THE NATIONAL UNDERWRITER Life Insurance Edition. Published weekly by The National Underwriter Company. Office of publication, 175 W. Jackson Blvd., Chicago, Ill. Forty-first year. No. 7. Friday, February 13, 1937. \$3.00 per year, 15 cents per copy. Entered as second class matter, June 9, 1900, at the post office at Chicago, Ill., under act of March 3, 1879.



# The NATIONAL UNDERWRITER

Forty-First Year—No. 7

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, FRIDAY, FEBRUARY 12, 1937

\$3.00 Per Year, 15 Cents a Copy

## Social Security Aids Death Cover

M. A. Linton Sees Federal Monthly Income Emphasis Boosting Family Protection

### WILLIAMSON ON PROGRAM

Provident Mutual President and Security Board's Actuarial Consultant Address New York City Life Men

NEW YORK, Feb. 11.—Government advertising of the income idea through social security is very important to the life insurance business and any agent who is alive to the opportunity should be able to utilize it to sell not only old age insurance but family protection as well, President M. A. Linton of the Provident Mutual Life declared at the first of a series of eight lectures on the technique of selling conducted by the New York City Life Underwriters Association. He expressed the hope that extension of social security benefits would be less and less in the direction of providing for the relatively well-to-do. The exemption of private pension plans, he said, would be very difficult to arrange and the best system would be to build private pension plans on the foundation existing in federal social security.

The other speaker, W. R. Williamson, actuarial consultant of the federal Social Security Board and former assistant actuary of the Travelers, explained the necessity of social security legislation to provide for the millions at the lower end of the economic scale who have neither the knowledge of insurance and thrift nor the surplus earnings to enable them to provide for life's contingencies without outside aid.

### Fosters Life Insurance's Aim

In stressing the help to the sale of family protection insurance that the government's social security plan is giving, Mr. Linton said that the government, in placing everything on an income basis is doing what the life insurance business has long been trying to do. When interpreted in terms of monthly income, the need for family protection insurance stands out clearly in the average case, he reminded his hearers.

The only previous experience with government in the insurance business was the war risk insurance, Mr. Linton said. At that time it was feared that extension of the war risk idea might put the companies out of business. However, the idea of insuring young men for \$10,000 each, when a few thousand dollars of insurance was previously considered a substantial amount, resulted in a tremendous post-war boom in life insurance, even though some of the increase may have been due to gen-

(CONTINUED ON LAST PAGE)

## Metropolitan Registered Billion Insurance Gain

Chairman Ecker Gives Basis of 1937 Ordinary Dividend Scale Vindicates Prediction Made at Last Year's Managerial Convention

NEW YORK, Feb. 11.—The Metropolitan Life's ordinary dividends for 1937 are computed on a 3.75 interest basis, or an excess of one-quarter of 1 percent above the reserve basis used until Jan. 1, 1935 and three-quarters of 1 percent on policies issued since then. The dividend year begins May 1.

This basis was explained by Chairman F. H. Ecker at the company's 3-day managerial convention here. Dividends payable on policies in 1937 will, in many cases, be higher than last year and in all cases, with the exception of certain term, single premium policies and the first dividend payable on limited payment life policies after they become paid up, at least as high as the amount paid last year. He explained that it has been necessary to reduce dividends on single premium policies because the interest factor has a more important effect on the dividends on such policies. Excess interest on supplementary contracts and dividends left at interest will be on the same basis as last year.

### Net Interest 3.57 Percent

The Metropolitan in 1936 earned a net interest return of 3.57 percent as compared with 3.69 percent reported for last year. However, if this were adjusted to provide for net changes in reported investment values, the rate would be 3.84 percent as compared with 3.48 percent for 1935, Mr. Ecker explained.

The improvement is due largely to a non-recurring income for the year 1936 in the profit realized on the call price paid for investments refunded and the increase in market values of securities not subject to amortization. Refunding operations have been more numerous than at any time in the past, a perfectly natural result of the low interest rate and the refinancing of all investments containing a privilege of calling them before they are due, Mr. Ecker pointed out.

### Analyzes Interest Rates

Interest earnings, when broken down, are somewhat more favorable to the ordinary department, a fact which is taken into consideration in the declaration of dividends, Mr. Ecker said, adding, however, that it was the falling interest rate which prompted the adoption of the 3 percent basis for new ordinary policies at the beginning of 1935.

Government bonds, constituting 28 percent of the bond portfolio, had a material effect on the yield from all bond holdings, the overall yield on bonds being 3.49 percent. The average yield on all stocks, which with the exception of a very small amount are preferred and guaranteed, was 5.59 percent, mak-

(CONTINUED ON LAST PAGE)

NEW YORK, Feb. 11.—An increase of insurance in force of \$1,042,000,000 was registered by the Metropolitan Life in bringing its total figure to the present record high of \$21,310,975,784, thereby verifying the prediction made at last year's convention by F. H. Ecker, then president and now chairman of the board. This was revealed by President L. A. Lincoln at the company's three-day managerial convention. "The ultimate test of our satisfactory service to the people of the United States and Canada undoubtedly lies in the figures of insurance in force," Mr. Lincoln said. "It is not so much the issue or the revival of business which tests our service as it is the combined results of issue and conservation. The people of our two countries have endorsed our service by increasing their insurance with us during 1936 in the sum of over a billion dollars."

### Has 20 Percent of Total

"At the close of 1936 all United States legal reserve companies had a total in force of about \$104,500,000,000, of which the Metropolitan had therefore 20.4 percent. The corresponding percentage of the Metropolitan total to all companies in 1935 was 20.1 percent. Inasmuch as the United States has approximately two-thirds of all level premium life insurance in force in the world, there is, therefore, in force in your company somewhere around one-eighth of all the life insurance in the whole world."

In 1936 the Metropolitan's ordinary issue was \$1,097,700,000, a decrease of .3 of 1 percent, while other companies reporting to the Life Presidents Association issued \$4,271,162,000, a decrease of 4.6 percent. Because the Metropolitan issued an abnormal amount of ordinary business in the early months of 1935 because of the rate increases which took place on Jan. 1 of that year, Mr. Lincoln also made a comparison of the

(CONTINUED ON PAGE 28)

## Daily Record Outlined by Metropolitan Life

To show the wide scope of a great company like the Metropolitan Life, it is interesting to know that the average for each business day last year was 2,344 in number of claims paid; 17,284 in number of life policies issued and revived; \$9,818,422 in life insurance issued and increased; \$2,450,501 in payments to policyholders in addition to reserves; \$857,753 in increase in assets.

## Sees Responsibility for Agency Force

President Lincoln of Metropolitan Says Agents' Success Is Company Problem

### MAKE PSYCHOLOGY STUDY

Necessity to Apply Sound, Scientific Management Principles Is Stressed by Official

NEW YORK, Feb. 11.—The importance of applying sound scientific management principles to the selection and supervision of agents and the progress the Metropolitan is making in this direction were outlined by President L. A. Lincoln at a banquet which concluded the three-day managerial convention.

"We believe that management must take upon itself the responsibility for those it manages," he said. "We are deeply concerned with the success of every man in the field."

### Management Should Be Science

"We believe that management should be studied as a science, that cause and effect must be carefully analyzed. That is the reason for the definite steps taken by our company during the last five years to improve our management. The 500 men who have taken our training course for managers, including the superintendents of agencies, realize that we are not experimenting with new theories, but rather are bringing to our managers certain principles in the science of management, based not alone upon our own, but upon the knowledge and experience of others in many lines of business."

"After all, management means the selection of men of good character and potential ability, training them in the proper methods of work, supervising them carefully in their daily activities, and inspiring them to do the best work of which they are capable."

### Interesting and Strenuous

"I am quite sure that our managers are beginning to see that the job of management is as interesting as it is strenuous. They are beginning to realize that the most interesting study of mankind is man. They recognize that changes are taking place in our business, as well as in our economic and political life. They realize that their problems of the future are going to be different from those in the past. Insurance buyers are insurance-conscious, if not insurance-wise, and they are demanding intelligent service."

"I recall again my visit to the field, this time when I think of our assistant managers. I think I am fully aware of the importance of the position of assistant managers in our organization. The future of our business rests upon the shoulders of our assistant managers."

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# Over Expansion of Agency Plants Criticised by Coburn As Lapse Factor

In the last seven years there has lapsed or terminated in the United States more than \$105,000,000 life insurance, an amount equal to or greater than all the legal reserve life insurance in force here today, Vice-President Arthur Coburn of the Southwestern Life, a noted actuary, stated in a talk at the sales congress held at Amarillo, Tex., sponsored by the Northwest Texas Association of Life Underwriters.

"This of course is a deplorable record," he said. "It should never be overlooked that most life insurance that lapses fails to fulfill the function for which it was sold."

## Fault in Selling Method May Be Public Matter

"There seems to be something radically the matter with the selling side of the life insurance business. It is reasonable to assume that sooner or later the public is going to get the facts."

Mr. Coburn said that recently a committee in one state studied excessive life insurance lapsations, reporting that this business was 14.48 percent of total in force there, and recommending that the legislature investigate the possibility of taxing life companies according to their lapsation ratio, due to the fact there was wide variation in this item as between companies.

Mr. Coburn offered a practical remedy. He said three years ago a life company with which he is familiar had an average policy duration of seven years and was selling life insurance to the public at a cost comparable to that charged by competitors. It was indicated to agents that if they would increase average duration of policies from seven to 11 years, they might be in position to undersell competitors by approximately 75 cents per \$1,000. The sales force responded with the anticipated results.

## Cooperation Is Difficult to Get from Companies

Mr. Coburn said life company managers are so diverse in character that constructive cooperation in the public interest is difficult to achieve; agreements may be signed from time to time, but it is likely these will be more honored in the breach than in the observance. One type of manager is somewhat timid, fearful of conducting a life company as it should be conducted, he said, unless a group of fellow managers agree to go along on the same program of constructive reform. Another type is bolder, holding that the individual company can be conducted in the public interest, irrespective of whether competitive companies are likewise conducted, and that to do so may enable it to offer insurance at lower cost and thus encourage other companies to adopt a more constructive course.

## Outlines Proper Objectives of Life Insurance Business

"The orderly conduct of the life business," Mr. Coburn said, "demands that the smallest amount of life business should be sold each year to American citizens consistent with American citizens securing the necessary annual increase in the total volume of life business they own that their needs require. It is perfectly clear that each year there is improperly sold to American citizens a large amount of life insurance that such American citizens will be better off without. There should be a two-fold objective in the life insurance business. That is, to have more life insurance owned and at the same time less life insurance bought each year."

"In view of the fact that the cost of living in this country will probably in-

crease during the next three years, there is an imperative necessity that the average income of life insurance salesmen should be augmented. If less life insurance is to be sold and salesmen are to make more money selling it, what is the solution? There can be only one solution. That is to have fewer life insurance salesmen.

## Finds Too Many Agents Are Drafted in Institution

"At the present time it seems to me that there are about twice as many men selling life insurance as there should be. This deplorable condition results in a heavy turnover of life insurance agents. In one established life company, of about every four men in the agency organization only one man has had 10 or more years' service with that company. Some companies may have a better record than this; other companies have a worse record."

"American life insurance premiums contain an adequate margin to permit of life insurance being sold the American public as it should be. Life insurance is not sold as it should be."

"The development of the life business by means of an excessive sales force has certain detrimental consequences. It tends toward a non-persistent business with consequent excessive cost of life insurance to American citizens. It reduces the average earning capacity of salesmen. It tends to drive out of life insurance selling the better class of American citizens."

## Way to Secure Persistence Is By Moderate Force

"Contrariwise, a program of a relatively small, better selected and better trained sales force has certain resultant consequences. It tends toward a higher persistency of business with consequent low cost of life insurance to American citizens. It tends to attract a better class of salesmen to the business. Likewise, it definitely tends to a higher average earning capacity of salesmen. For instance, in one sales organization with which I am familiar a program of

a smaller agency organization has resulted in the last three years in increasing by 50 percent the average income of the average salesman."

Mr. Coburn said that in 1936 about 8,000,000 American citizens purchased life policies, but of that number by the end of this year more than 2,000,000 will have lapsed their contracts. It is the public, he emphasized, that pays the bill. He expressed belief that life company managers are going to do something to correct the situation or ultimately the matter will be taken out of their hands and corrected by some public authority.

## Lapsation Is Costly for Companies and Insureds

The money wasted directly by citizens who either should not buy life insurance or should, but do not, have their policies properly sold to them, is not the whole story, he said. Tremendous lapsation throws a heavy financial burden on life companies, which find it necessary to increase premium costs to recoup.

"In the long run," he said, "the American citizens have to pay the freight for the incompetence of managers of life companies."

He asked whether expanding of agency operations, a program carried on by many companies, is a real public necessity. Because the life company has sums of money available for agency development it does not necessarily follow these should be so spent, he said. "It might be more constructive if some of that money were used to lower the cost of life insurance to the American public."

If all companies sought to boost their agency departments a lopsided development might take place, Mr. Coburn said. Companies with such programs might be expected to get an extra share of business at the expense of other companies, thus perhaps throwing out of balance the reasonable sums they expend for agency development.

Mr. Coburn emphasized that the making of unsound investments is not the only cause of company failure. Another

cause is new business writings. He said it appears to be unwise for an established company to write new business volume greater than 14 percent of insurance on the books. This maximum has not always been adhered to, he said. He cited a large company that was in financial peril in 1931, and if it had continued to write new business equal to 10 percent of the "in force" figure scarcely could have survived. However, production was cut drastically and the company is out of difficulties.

## Saving Renewal Commissions Seen as Key to Persistence

A company which permits its agents to leave renewal commissions on deposit at 5 percent interest, Mr. Coburn said, finds their lapse rate much lower than that of other agents. The most important factor in persistency is personal financial condition of the agent.

Drop in interest rate has brought life company managers facing the proposition of either increasing premium rates or effecting greater economy in management, or rendering more productive money expended in agency development or securing new business. Increasing premium cost possibly has been overstressed.

## Ask Leniency for Those in Flood

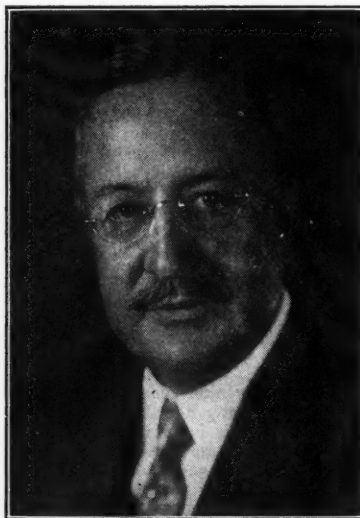
Insurance Director Palmer of Illinois, who is president of the National Association of Insurance Commissioners, has bulletined the other state officials, suggesting that they request the companies domiciled in their states to extend leniency to policyholders in the flood area in the payment of premiums where circumstances warrant such consideration. Such a communication was addressed by Mr. Palmer to the life and accident and health companies in Illinois and he sent a copy of his letter to the commissioners of other states, with the suggestion that they do likewise. In the letter to companies, Mr. Palmer points out that life and accident and health companies generally have extended such leniency to policyholders. The executive committee of the insurance commissioners' convention, the letter states, commends this attitude and suggests that a similar program be adopted by all companies. Each company addressed is asked to inform the commissioner of their attitude.

The field force of the Ohio State Life commemorated the birthday anniversary of President Claris Adams Monday by presenting him a large volume of applications from many states of the Union, the field force having put on a special campaign in his honor, without his knowledge. The Oslico Club also presented Mr. Adams a huge bouquet of flowers.

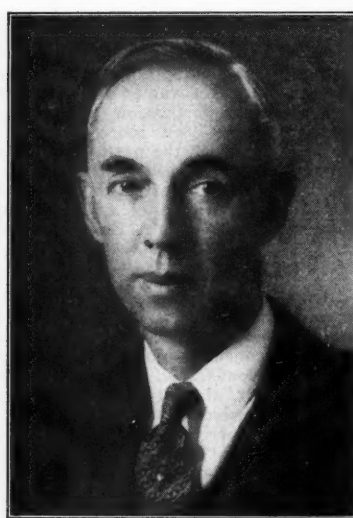
## Writes \$68,000 Policy on Return Trip From Meet

W. J. Yuvan, Oakland, Cal., general agent of the Guarantee Mutual Life, works while he travels. While returning from his company's home office convention at Omaha, Mr. Yuvan wrote a \$68,000 retirement income policy on a "chance" Pullman acquaintance, securing "cash with app." He had the highest premium average per \$1,000 of business in his company last year.

## Tell Metropolitan's Achievements



F. H. ECKER



L. A. LINCOLN

L. A. Lincoln, president of the Metropolitan Life, and F. H. Ecker, chairman of the board, were the principal speakers at the meeting of that company's managers in New York, outlining the results of the operations of the past year and the policies to be followed along various lines.



## N.Y. Code Won't Be Ready This Year

Pink Expects to Submit Revised Setup to the 1938

Legislature

### MAKES ANNUAL REPORT

Job of Redrafting Insurance Laws Proved More Formidable Than Was at First Supposed

The New York department will probably not complete the revision of the redrafting of the insurance laws in time for submission to the 1937 legislature, Superintendent Pink stated in his annual report. The revision, however, he stated, is well advanced under the direction of a committee headed by Prof. E. W. Patterson of Columbia University law school.

The department, he stated, is giving consideration to an amendment to section 100 of the insurance law whereby investments would be permitted to life companies in certain classes of debentures and preferred stocks, which are not eligible under the requirements of the present law. This privilege is being considered, because the yield on high class securities is greatly reduced.

Mr. Pink stated that in connection with the regular examination of the Metropolitan Life, a complete survey of industrial policies is being made.

Mr. Pink suggested that public hearings be held shortly after the tentative draft of the insurance law has been distributed to the insurance group, before a joint sub-committee of the two insurance committees of the legislature, during the summer and autumn of this year, with a view to producing a final draft for introduction in the legislature of 1938.

The redrafting, according to Mr. Pink, is proving more formidable than at first proposed.

It is likely that the revised law will include provision to increase financial requirements for procuring a license as well as to give the superintendent greater investigative powers relative to the character of incorporators and proposed management of companies. Probably the revision will include authority on the part of the superintendent to suspend the license of a domestic insurer in those situations where, in his judgment, the circumstances may not immediately require the more drastic remedies of liquidation or rehabilitation.

A survey of the industrial business of the Metropolitan, according to Mr. Pink, is expected to be of assistance to the department in determining whether recommendation should be made for new legislation covering industrial business. The department, he said, approved willingly the new forms of industrial policies that were introduced by two of the companies early this year. These forms, he states, simplify the contracts and bring them more in line with the standard provisions required for ordinary policies.

In general, Mr. Pink stated the condition of the life companies has further improved and they are continuing the transaction of business along conservative lines. He analyzed at some length the investment situation facing the companies.

Hospital service corporations, he stated, are growing so fast that every precaution must be taken by the department to provide adequate supervision and examination. They are setting up

(CONTINUED ON PAGE 27)

## Notable Increases Show in Companies' Statements

### UNION CENTRAL LIFE

President W. H. Cox of the Union Central reports that 1936 was the best year since 1929, assets increasing \$16,265,105 to \$343,035,516 in the 70th year. Included in assets are farm mortgages \$77,042,707, city mortgages \$45,877,372; mortgage interest due and accrued \$5,702,075; real estate \$51,113,530; real estate sold on contract \$13,130,543; bonds and stocks including \$37,587,495 U. S. government bonds \$73,887,693; policy loans \$69,295,155; cash \$6,070,927. Proceeds and dividends left at interest are \$30,496,704. Surplus gained \$450,917 to \$10,959,927, which included \$2,500,000 capital. Insurance paid for was \$78,870,597 as compared to \$80,852,308 in 1935. Business in force declined \$10,332,293 as compared with a decrease of \$32,260,089 in 1935, the total being \$1,134,872,752, annuities being excluded.

### JOHN HANCOCK MUTUAL

The new statement of the John Hancock Mutual shows assets \$796,393,304, gain \$64,892,388 or 8.87 percent. This is \$17,457,239 more than the gain of any previous year. It paid policyholders \$84,754,313. Its insurance in force is \$3,815,663,270, increase \$222,514,748. Of this increase \$121,410,704 was ordinary and group and \$101,104,044 industrial. It has set aside \$17,446,614 for dividends this year. There was 17 percent less money loaned on policies. There was a 12 percent increase in cash repayments on policy loans. The income was \$193,089,958, increase \$12,724,044. Of this amount \$6,394,962 was premium increases. Total premiums were \$147,519,393. The surplus is \$75,196,417, which is 10.43 percent of the assigned lia-

bilities. There is an increase of \$10,208,601 in surplus resources. The surplus resources consist of the contingency reserve of \$25,000,000, which is \$7,000,000 larger than last year, and the general surplus fund of \$50,196,417, gain \$3,208,601.

### CONTINENTAL ASSURANCE

The Continental Assurance of Chicago shows assets \$24,856,532 of which \$1,272,758 is cash, \$4,077,828 federal securities, \$1,422,086 other public bonds, \$5,592,816 railroad, public utility and miscellaneous, \$1,592,190 preferred and guaranteed stocks, \$4,086,392 mortgage loans, \$3,446,361 policy loans, \$1,990,942 real estate. The general contingency reserve is \$500,000, capital \$1,000,000, net surplus \$2,432,617. Its insurance in force is \$207,831,020. Net addition to surplus was \$141,234. Its premium income was \$5,010,994. Its insurance in force increased \$13,875,274 or 7 percent; assets \$2,675,861 or 12 percent; premiums \$297,365, 6 percent; surplus 6 percent.

### MUTUAL LIFE OF NEW YORK

The Mutual Life of New York shows assets \$1,308,278,819, surplus \$61,520,866, insurance in force \$3,712,259,614, new business \$250,663,340. The increase in insurance in force is \$4,000,000. The company has cash \$55,989,728. Its government bonds increased \$92,000,000, municipals \$18,000,000, railroad and utilities \$8,000,000. Its mortgage loans decreased \$13,000,000, its real estate loans \$1,300,000 and policy loans \$11,100,000. The liquid assets run about 62 percent. It paid policyholders \$133,381,385. Its gov-

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## Fairer Decisions Seen in Disability

Courts Now Defining It More Closely, Says William Otis Badger

### ADDRESSES A. & H. GROUP

T. R. Keucher Tells How Agent Can Aid Claimant, Self, and Company in Handling Claims

NEW YORK, Feb. 11.—While the general tendency of the courts until the recent past has been to regard as total disability almost any injury that interfered with a man's business, there have been during the past year indications in a number of cases that the courts are taking a different view of the situation, William Otis Badger, well known New York insurance lawyer, said at the February educational meeting sponsored by the Accident & Health Club of New York.

"For instance," he said, "in a case in which a barber hurt two fingers of his hand and was unable to continue his haircutting, the court gave a recovery for a limited period of time and then refused to allow him further disability benefits because the injury did not totally incapacitate him from engaging in another occupation."

### Courts Liberalized Policies

"The disability clauses that were originally promulgated in life policies were drawn so strictly that in order to bring about a recovery under them the insured had to be practically unconscious and unable to move a limb. When these clauses came before the courts for interpretation, they swung away from a literal interpretation and went so far to the other extreme that the assured was permitted to recover if his injury amounted to practically nothing more than a sore toe."

Accident insurance policies have a far greater value than appears upon their face because of state insurance law provisions, Mr. Badger said, pointing out that a man may buy a house, United States government bonds, or put his money in a savings bank and still not be nearly so well protected in the event of lengthy disability following an accident as he is with the protection afforded by his policy. For example, creditors may seize a house or bond or savings bank account but the state law says that income from an accident and health policy is immune and must go to the beneficiary.

### Protection Will Continue

The present movement to revise New York's insurance laws will continue to protect benefits under accident policies in the public's interests, Mr. Badger predicted. He also felt that the social security act will increase the public's consciousness of the need of accident coverage.

The enormous field open for the sale of accident policies is indicated by the extent to which life companies wrote disability covers, Mr. Badger said, pointing out that the recent New York court of appeals decision upholding the right of the New York Life to differentiate in dividends between disability and non-disability policyholders revealed that that company has 1,600,000 policies with the income disability provision as against approximately 1,000,000 policies without it.

"To me, this indicates a great public demand for accident and health insurance."

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## "A Little Fellow"

"How much does he write in a year?" "Oh, he's only a little fellow." The "big shots" get deserved praise and publicity glory, that being the way of the world in our business as in virtually all others.

But, far away from their General Agency offices, large numbers of them seeing their General Agent not more than once or twice a year and almost never able to attend an Agency meeting, there is a great army of life underwriters in the farming regions, the small villages, and the small towns, selling the service and distributing the beneficence of life insurance to people whose purchasing power is small and whose need for protection is therefore the greater. With fidelity and intelligence they perform their duty. If they were en masse to foresake their work, and were not replaced, the companies would be crippled, and a great mass of our people would be deprived of a major economic service.

When acclaiming trumpets are blown, let them sound also toward these who watch and work at the lonely "outposts of empire," in the North and the South and the East and the West.

THE PENN MUTUAL LIFE INSURANCE CO.

WM. H. KINGSLEY, President

Independence Square

PHILADELPHIA

## Head of Top Travelers Agency Has Had Varied Career

NEW YORK, Feb. 11.—The announcement that the Joseph D. Bookstaver office of the Travelers in New York City had led all agencies of the Travelers throughout the entire country has aroused much admiration for the man who was able to take over the reins when Mr. Bookstaver died a year ago and not only keep the agency in its customary top position among general agencies, but to show an increase in new business at a time when the life insurance business generally was falling slightly behind its 1935 production.

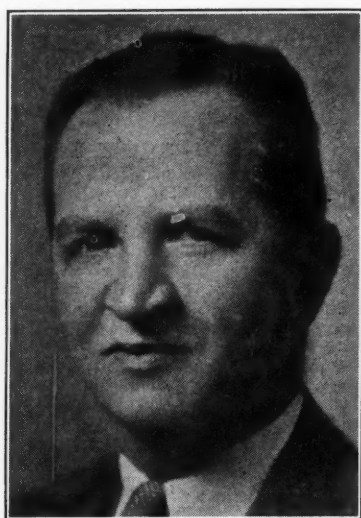
Elias Klein, the man who accomplished this, had long been in full charge of production, which does not in the least detract from his feat when it is remembered what so often happens to an agency whose chief is removed by death or otherwise. It does help explain, of course, how he was able to keep up and even surpass the agency's previous pace.

### Gets Fun Out of Work

Mr. Klein gets a lot of fun out of his work, as anyone must who gets to the office at 8 o'clock every morning and is rarely home before 8 at night. And yet he finds time for many activities unrelated to insurance—social, charitable, political.

Though he came to the insurance business as a young man, Mr. Klein had a background which included the theatre, the boxing arena and newspaper reporting. One of his first jobs was as a district man for the New York Times. At that time the papers employed young fellows to prow around in a specified area and phone in any stories which might be worthy of publication. Paid on space rates, these "leg men" got 25 percent of the rate, while the man who took the stories over the phone and rewrote them got 75 percent. Like the character in "Grand Hotel," the district man's usual complaint was that "nothing ever happened." Mr. Klein's experience, however, was the exact opposite. One of his first assignments was covering a tong war victim whose throat had been cut. In fact, the Chinaman had been almost decapitated and the sight so revolted young Klein that his enthusiasm for newspapering was considerably chilled.

Mr. Klein's career on the stage was brief, one week to be exact. But he had never considered himself an actor, his principal connection with the theatre being the writing of skits for comedians. One day he was standing in the wings, anxious to see how the



ELIAS KLEIN

monologue he had written for a well known vaudeville actor of that day would go over when he felt himself spun around by the excited manager. It seemed that the actor, addicted to taking dope, has made a slight miscalculation in the dose and was lying unconscious on his dressing room floor, while the curtain was just about to go up for his act.

The comedian was an extremely tall cadaverous looking fellow closely resembling caricatures of an undertaker, even to the tall stove pipe hat. The young author, the only other person around to know the monologue, found himself drafted into service. Another of Mr. Klein's youthful accomplishments was being local amateur featherweight champion, so it can be imagined that the comatose actor's clothes fitted him with considerable room to spare. Pushed out on the stage, young Klein was first blinded by the unaccustomed glare of the footlights. Then he was conscious of gales of laughter from the audience. He thought it must be a pretty good monologue to get laughs before he had even started delivering it. Then he looked down at his feet and saw that the trousers he was wearing entirely concealed his shoes and that the comedian's long frock coat reached practically to the ground, like an ulster.

The monologue went over big with the audience and the young understudy

## O'Malley, Stark Seek to Understand One Another

JEFFERSON CITY, MO., Feb. 11.—Governor Stark, in commenting upon the statement of Superintendent O'Malley that the subject of O'Malley's reappointment was not discussed at their conference on Feb. 2, stated that his assumption that something O'Malley said was a reference to his reappointment may have been incorrect.

"Of course, I do not want to do Mr. O'Malley or anyone else an injustice," the governor said. "Technically, he (O'Malley) is correct when he says his reappointment was not discussed at our conference. The word 'reappointment' was not used by either of us at that conference. Certain things he said at the end of our conference, I assumed, were in reference to his appointment. My assumption may have been incorrect."

When informed by newspaper men that the governor Feb. 2 had announced that he had informed O'Malley that he did not care to discuss the subject of his reappointment at this time, Superintendent O'Malley issued the following statement: "I never made any suggestion as to my reappointment. Surely the governor must have misunderstood something I said, for I am sure the question was not brought up either by me or the governor."

was kept on to do the act for the balance of the week. When the Bookstaver agency was 15 years old in 1926, Mr. Klein put on a musical comedy, of which he was author, with a cast of 80 people, all of them agents or members of the office staff. The show ran for a week at the Empire Theatre, a sellout every night, the proceeds going for charity. It was going so well that it could have been kept on all season but the late hours began to tell on the cast in their regular work.

More recently, Mr. Klein has taken up movies. One time when he had a number of guests at his house it was decided to film a motion picture composed on the spot by the participants. However, unknown to the guests Mr. Klein had arranged for the reels to be developed as soon as they were filmed and the guests had the surprise experience of seeing before them on the screen the drama which they had staged only an hour or so before. In addition to his business and social activities, Mr. Klein takes a very active part in the political and charitable work of the suburb in which he lives.

L. S. Bernhard, 67, veteran Kansas City life agent, Lincoln National Life, died there from heart disease. He had been with the Lincoln National three years, with the Royal Union Life 17.

## Housing Shortage Is Investment Aid

Chairman Ecker of Metropolitan Sees Continued Low Rate of Interest

## DEMAND FOR CITY LOANS

Competition Expected to Continue in Residence Mortgage Field for Some Time

NEW YORK, Feb. 11.—Demand for housing to take care of the shortage in residences will provide some opportunity for investments by life companies, although competition will keep the rate down, Chairman F. H. Ecker of the Metropolitan said in discussing the investment outlook for 1937 at the annual banquet which concluded a three-day managers' conference here.

"There has been some opening of the mortgage market for city loans. I was reminded the other day that five years ago I ventured to predict that in the year 1937 there would be a distinct boom in the building business. I would say the same thing today, with a close view of the activity being developed. Of course, conditions will vary in different localities.

"In some cities, a shifting of trade centers will have its effect and it will take time for adjustment. In many places there has been an oversupply of office building space and it will be some time before that is utilized. In practically all locations there will be found a shortage of shelter accommodations for residents—a shortage in housing of one sort or another for which there is growing demand.

### Cumulative Effect Felt

"This is definitely due to conditions that have obtained for the last six years. This activity will afford some opportunity for the investment of life insurance funds, although competition will keep interest rates down. We are not out of line with the majority of economists who predict continuing low rates of interest. There are sound reasons for those views which it is not necessary for me to expand, but I can tell you that we have shaped our course along conservative lines with that possibility in view.

"In many ways, changing conditions present new problems of serious moment. The low level to which interest rates have fallen affecting the income from endowment funds and the prevailing tax rates affecting individual contributions and legacies present problems to schools and colleges, hospitals, religious and similar institutions. The support of organized charities is becoming difficult. "Speaking of taxes, it does look as though a page might be taken from the book of experience of England, where taxes are on a broader base, reaching to lower incomes—graduated of course—and capital gains have always been exempt. The tax on capital gains is regarded by many as unscientific, and if eliminated, would really result in a larger income to the government, but the provision is so interwoven in our tax structure that it becomes a difficult problem with which to deal. The recently enacted law taxing undistributed earnings of corporations is found in operation to give rise to considerations which should result in some amendment."

Patrick F. Quinn, John Hancock agent at Lowell, Mass., is celebrating his 50th anniversary of continuous service. Mr. Quinn has insured three generations of many families.

## FIGURES FROM DECEMBER 31, 1936 STATEMENTS

	Total Assets	Change in Assets	Surplus Policyholders	New Bus.	Ins. in Force Dec. 31, 1936	Change in Ins. in Force	Prem. Income 1936	Total Income 1936	Benefits Paid 1936	Total Disburs. 1936
Acacia Mut., D. C. . .	66,305,872	+5,910,118	1,539,478 <sup>1</sup>	38,104,820	364,821,283	+12,729,234	10,133,393	15,001,665	5,350,937	9,038,338
American Life, Mich. . .	16,833,841	+116,922	820,551 <sup>2</sup>	5,458,083	63,814,453	+2,610,097	1,587,925	2,618,517	1,511,617	2,508,216
Baltimore Life . . . .	15,618,123	+699,572	2,241,085	33,543,437	94,864,526	+3,073,842	3,151,349	4,093,994	1,641,824	3,396,881
Capitol, Colo. . . . .	11,280,416	+307,777	1,308,963	5,951,825	54,471,766	+1,279,978	1,390,196	2,120,250	991,835	1,812,335
Country, Ill. . . . .	5,456,865	+1,228,689	954,193 <sup>3</sup>	25,241,832	100,128,514	+20,124,312	1,838,852	2,181,838	434,496	1,041,119
Franklin, Ill. . . . .	33,834,913	+1,774,351	1,223,131	19,509,119	172,016,295	+1,316,302	4,494,794	6,497,946	2,717,808	4,511,926
Guaranty Mut., Nebr. . .	18,802,254	+1,180,953	2,251,574 <sup>4</sup>	21,678,960 <sup>5</sup>	126,409,212	+1,370,862	3,509,473	4,665,065	1,952,626	3,624,732
Loyal Life, Mass. . . .	422,843	+19,587	411,625	871,211	820,711	+760,711	20,687	36,662		20,350
Manufacturers, Can. . .	143,685,518	+9,861,518	6,829,173 <sup>6</sup>	49,147,917 <sup>7</sup>	512,839,478	+10,863,818	21,379,244 <sup>8</sup>	31,395,136	13,576,882	21,326,892
National, Vt. . . . .	187,774,530	+8,766,705	11,166,249	45,637,328	519,781,009	+9,756,490	21,500,956	33,469,743	17,362,555	24,838,503
Oregon Mut. . . . .	15,205,430	+1,172,361	1,085,238 <sup>9</sup>	7,693,503	55,825,114	+3,087,663	2,081,237	3,066,285	1,173,099	2,021,085
Peninsular, Fla. . . .	1,650,989	+242,308	125,000	21,652,910	28,565,400	+3,384,998	1,216,445	1,324,201	362,066	1,098,568
Philadelphia Life . . .	12,984,133	+369,574	956,954 <sup>10</sup>	5,001,281	52,357,837	+461,513	1,506,255	2,290,762	1,388,460	2,010,067
Pilot Life, N. Car. . .	16,447,406	+1,209,765	1,322,706	36,042,723	115,851,076	+10,362,234	3,177,610	4,158,603	1,507,694	2,934,387
Reserve Loan, Ind. . .	10,254,028	+154,876	447,737	11,992,117	55,276,196	+1,138,268	1,435,503	1,990,091	1,073,592	1,933,437
Shenandoah, Va. . . .	7,570,966	+543,650	931,020	27,862,808	161,316,225	+13,536,413	2,404,901	2,812,555	1,519,643	2,578,194
State Capital, N. C. . .	168,687	+168,687	150,000	1,962,527	1,574,456	+1,574,456	11,869	214,776	1,302	27,861
Teachers Ins., N. Y. . .	70,388,360	+12,445,966	4,375,117 <sup>11</sup>	3,303,926	52,377,521	+1,841,464	8,909,798	14,250,992	1,742,118	2,683,491
Travelers . . . . .	860,471,355 <sup>12</sup>	+72,580,363	47,524,646	607,917,276	4,439,612,833	+167,063,772	111,869,902	207,457,137	101,779,187	150,065,064
United Ben., Nebr. . .	10,345,027	+4,604,085	575,000	35,000,729	109,205,709	+21,321,703	2,250,390	6,718,965	967,351	2,333,191
Victory, Kan. . . . .	8,422,992	+4,693,293	550,000	2,308,250	37,436,085	+17,161,374	1,008,928	1,335,227	732,787	1,102,506
Western Union, Neb. . .	174,107	+4,405	121,051	962,552	1,067,841	+484,481	30,622	49,199	13,256	46,905

<sup>1</sup>This figure excludes contingency reserve, \$825,000.

<sup>2</sup>Reserve for investment fluctuations of \$227,828 not included.

<sup>3</sup>Includes contingency surplus.

<sup>4</sup>Revised and increased business, included in previous years' totals has been excluded in 1936, the amount being \$3,875,759.

<sup>5</sup>Premiums paid in advance, included in previous years' totals, have been excluded in 1936, the amount being \$794,843.

<sup>6</sup>Excluding special reserves of \$6,544,275.

<sup>7</sup>Includes revived and increased.

<sup>8</sup>Excludes reserve for dividends to policyholders of \$4,575,000.

<sup>9</sup>Includes casualty department.

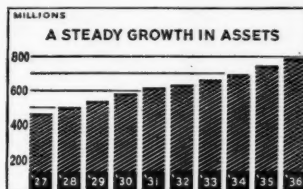


# Seventy-Four Years of Progress

At the beginning of its seventy-fifth year, the John Hancock Mutual Life Insurance Company stands at the highest point in its history—in insurance in force, in assets, in surplus strength, and in ability to serve.

\$3,815,663,270 in amount was the insurance in force on December 31, 1936—an increase of \$222,514,748 for the year; \$796,393,304 represented admitted assets—an increase of \$64,892,388 (8.87%) for the year; and \$75,196,417, of which \$10,208,601 were added in the year, appeared in Surplus accounts. Income increased \$12,724,044 to make the total \$193,089,958. Dividends to be paid in 1937 were provided by apportioning the amount of \$17,446,614. The sum paid to policyholders

and beneficiaries in 1936 was \$84,754,313 and such payments for all time amount to more than \$1,237,397,300.



This is a record which entitles the Company to celebrate, with confidence in the past and hope for the future, its Seventy-fifth Anniversary.

During these years of life and growth the Company has developed a due regard for responsibility and an adherence to sound principles which have formed a habit and have become a tradition. To pursue this habit and to honor this tradition is the aim of every John Hancock representative. Acknowledgment with thanks is made for their support to all members of the Company.

GUY W. COX, *President*

## SUMMARY OF 74TH ANNUAL STATEMENT

December 31, 1936

<b>ASSETS</b>	<b>\$796,393,304.57</b>
Bonds	\$375,657,517.03
Stocks (All at Market Value, Dec. 31, 1936)	22,999,288.96
Mortgages on Real Estate	164,702,283.92
Loans on Company Policies	90,184,695.68
All Other Assets	142,849,518.98
<b>LIABILITIES</b>	<b>\$721,196,887.37</b>
Policy Reserves	\$655,797,513.00
Dividends for 1937	17,446,614.20
All Other Liabilities	47,952,760.17
<b>SURPLUS RESOURCES</b>	<b>\$75,196,417.20</b>
Contingency Reserve	\$25,000,000.00
General Surplus Fund	50,196,417.20

A copy of the complete Annual Statement will be sent on request



**JOHN HANCOCK MUTUAL**  
**LIFE INSURANCE COMPANY**  
 BOSTON, MASSACHUSETTS . . . GUY W. COX, President



**Out of it all . . . how long could your family keep drawing \$100 every month?**

ONE HUNDRED DOLLARS isn't very much for food and shelter and clothing and all the other things a family must buy every month. In fact, it's just about the very least a mother and a couple of youngsters can get along on. Yet even \$100, drawn out every month, would eat up both principal and interest of a \$10,000 estate in less than ten years . . . long before a widow could bring up and educate little children.

Your family would probably have to have a larger income—\$150, \$200 a month. Could your insurance and savings keep providing it every month through all the years of their greatest need?

You may think that carrying enough insurance to provide such an income is beyond your means. But actually, a new kind of life insurance has recently been developed, by which even a father who earns \$10 a week can afford to leave his family \$100 every month!

Called Multiple Protection, this unique plan gives your family a check for what ever amount you designate, every month for 20 years. Then, when your children are grown and self-supporting, the same plan provides a generous sum to keep your wife independent as long as she lives.

Multiple Protection is sponsored by The Union Central Life, a 70-year-old, \$285,000,000 company offering all approved life plans.

It won't oblige you in any way to find out all about this remarkable new money-every-month plan. Send the coupon to get, by mail, a booklet containing all the interesting details.

**YOU CAN LEAVE \$100 EVERY MONTH FOR 20 YEARS**  
If you're earning \$45 a week or more

**The UNION CENTRAL LIFE Insurance Company**  
A \$285,000,000 INSTITUTION FOUNDED IN 1867

To keep your family together . . . to cover the irreplaceable months when mother keeps home for her children through school—\$100 a month for those most important twenty years. This is a fund to support your wife as long as she lives! Or you can leave more than \$100 a month. Send coupon now for full facts on Multiple Protection.

Name \_\_\_\_\_  
Address \_\_\_\_\_  
City \_\_\_\_\_ State \_\_\_\_\_

Please mail, without obligation, the booklet that explains exactly how I can leave my family the very protection of money every month.

**T**HE toughest job in selling life insurance is to get the prospect to *think critically* about the life insurance he owns . . . to get him to analyze seriously how many dollars and cents of *income* it would give his family, and for *how long*.

Once he's got *that far*, he's likely to decide for *himself* that he vitally needs some additional money-every-month life insurance.

The Union Central ad shown above (February 14th TIME) not only will get several hundred thousand top-notch prospects to thinking critically . . . it will also introduce them to a most attractive money-every-month contract, *Multiple Protection*.

Union Central men who follow up will find a lot of these prospects hungry for further facts . . . will even find some sales already "in the bag!"

**The  
UNION CENTRAL  
Life Insurance Company**  
CINCINNATI, OHIO

## THE WEEK IN INSURANCE

**Metropolitan Life's 1934 operations**, resulting in billion-dollar insurance gain an all-time peak in insurance in force, are related at three-day managerial conference. **Page 1**

**Agent's success is responsibility of company management**, President Lincoln of Metropolitan declares at managers conference. **Page 1**

**Effect of social security legislation** discussed by M. A. Linton and W. H. Williamson. **Page 1**

**Agency plant overexpansion** criticised by Actuary Coburn as principal cause of great lapse rate in life insurance. **Page 2**

**Residence housing shortage** is creating investment opportunity for life companies, Chairman Becker of Metropolitan tells managers conference. **Page 4**

**Courts are swinging away from former liability** in deciding what constitutes disability, insurance lawyer says. **Page 3**

**Evening classes** used as means of finding fit recruits for life insurance selling. **Page 10**

**Superintendent Pink of New York** in his preliminary report comments on general life insurance conditions. **Page 3**

**All woman agents general agency**, believed to be first in U. S., opened in Chicago by Mrs. Catherine P. Girault for American United Life. **Page 10**

**Novel idea** carried out for a one-day production drive on the 70th anniversary of the Equitable Life of Iowa. **Page 8**

**A new book** will soon be published with M. A. Linton, president of the Provident Mutual Life as author, in which he will answer life insurance critics. **Page 8**

**New York Life** top producers for last year are named. **Page 14**

**High honor** paid N. B. Hadley, retiring chief life examiner of the New York department. **Page 8**

**T. M. Riehl** addresses gathering of trust officers and points out to his audience some of their "weak points." **Page 8**

**Superintendent Pink of New York** in his report makes some interesting observations on the operations of fraternal. **Page 2**

### N. Y. Allows Par, Non-Par for Outside Companies

NEW YORK, Feb. 11.—Non-participating companies which are permitted to write both participating and non-par in their home states will be allowed to do so in New York—where for the last ten years they have had to choose one type of coverage or the other—providing they comply with the terms of a proposed agreement which interested companies have received from the New York department.

No change in the law is needed, as the ban which went into effect a decade ago was a departmental ruling. Though lacking the force of a statute, it could easily have been made a law if companies had been disposed to buck it. A change in the law would be necessary if stock companies domiciled in New York state were to write both par and non-par, as there is a statute barring the practice among domestic companies. However, no particular interest has been expressed by domestic companies in being permitted to write both forms.

### Bank Night Insurer Freed

AUGUSTA, GA., Feb. 11.—B. E. Wilcox, former district agent of the Northwestern Mutual Life, who operated the Southeastern Cash Indemnity Company of this city, was exonerated by a grand jury of the charge brought against him by the insurance commissioner of violating the state insurance laws in operating a cash night indemnity company.

### O'Connell to C. P. A. Company

LANSING, MICH., Feb. 11.—Walter O'Connell, actuary of the Michigan department, has resigned to accept an executive position with the C. P. A. Company, Detroit, a stock carrier which specializes in insuring railroad men against loss of jobs. R. A. Palmer, a former Michigan deputy commissioner, died recently and it is presumed that Mr. O'Connell will take over many of his duties. Mr. O'Connell has been department actuary about four months, was assistant actuary for about four years and has been with the department, all of the time in the actuarial division, for nine years.

### Commissioner Hunt Chairman

Commissioner O. B. Hunt of Pennsylvania has been made state chairman in charge of arrangements in Pennsylvania for the Democratic victory dinners March 4.

### Asks Cancellation, Already Disabled, Awarded Benefits

NEW YORK, Feb. 11.—Cancelling the disability provision of his policy does not impair an assured's right to benefits under the contract where he was not aware that he was disabled under the terms of the policy and hence did not report his disability until later, the appellate division of the New York supreme court has unanimously ruled, upholding the lower court's decision.

Abraham Gross asked the Equitable Life of New York to eliminate the income disability provision from his \$30,000 insurance after he became ill in 1932 because he believed his illness was not covered by his policy. A year later his doctor told him he had tuberculosis and had had it when he had cancelled his disability. The appellate division's opinion directed payment of benefits and refund of premiums paid since the onset of disability.

### Seek United Front in Ohio

Representatives of life, fire and casualty insurance companies operating in Ohio conferred in Columbus on legislation, one purpose being to agree on a plan by which a united front may be presented.

A measure considered provides for mutualization of domestic life companies. Another dealt with the form of investments Ohio life companies may make. It has been claimed Ohio companies have been put to a disadvantage as other states permit more liberal investments of funds.

L. W. Ginter, manager Chicago branch office Pan-American Life, has returned from a trip through the southern states, accompanied by Mrs. Ginter. During the journey he visited the home office in New Orleans.

### WANT POSITION AS SUPERVISOR

Am 45 years of age, have had eleven years experience as General Agent and Field Supervisor. At present am connected but desirous of making change. Entire time with Mid-Western Company and not indebted.

ADDRESS F-25, NATIONAL UNDERWRITER

### WANTED

Experienced life underwriter by small progressive mid-western company. Must be 25 to 40 years of age. Splendid opportunity for right man. In reply state age, experience and salary expected. Replies confidential.

ADDRESS F-26, NATIONAL UNDERWRITER



# LARGEST IN ACACIA HISTORY

INSURANCE IN FORCE, December 31, 1936.....	\$364,821,283
TEN YEARS AGO, Insurance in Force amounted to .....	\$226,276,746
ASSETS, December 31, 1936 .....	\$ 66,305,871
TEN YEARS AGO, Assets amounted to .....	\$19,067,908
INCOME for the YEAR 1936 .....	\$ 15,001,665
TEN YEARS AGO, The Year's Income was .....	\$7,086,837
EXCESS OF INCOME OVER DISBURSEMENTS, December 31, 1936.....	\$ 5,963,327
TEN YEARS AGO, Excess for the year was .....	\$3,216,540
PAID TO BENEFICIARIES in 1936 .....	\$ 2,620,255
TEN YEARS AGO, Payments amounted to .....	\$837,130

**ACACIA pushes on!** It is larger, stronger, more progressive than ever before. It benefits more people than ever before. Acacia policyowners pay "the lowest premiums of any mutual, old line company." They and their beneficiaries get guaranteed security and good service at low net cost. Here is the summary of Acacia's 68th Annual Report, which they receive:

## SUMMARY OF ANNUAL REPORT

As at December 31, 1936

ASSETS			RESERVES AND LIABILITIES	
First Mortgage Loans on Improved Real Estate.....	\$26,467,733.19		Legal Reserve To Protect Policyholders Computed on the American Experience Table of Mortality and 3½% Interest on all Policies .....	\$59,393,035.87
Bonds and Stocks*			Extra Reserve to Protect Policyholders For Disability and Other Benefits and Sup- plementary Contracts .....	2,568,426.96 \$61,961,462.83
United States Government Bonds.....	\$2,386,181.50		Reserves for Dividends to Policyholders....	667,267.65
Public Utility Bonds .....	4,031,176.67		Reserve for Policy Claims Not Yet Com- pleted or Reported .....	388,540.28
Railroad Bonds .....	1,826,963.03		Reserve for State and Federal Taxes.....	234,701.73
Municipal, Federal Land Bank, and Other Bonds .....	1,166,268.37		Premiums and Interest Paid in Advance....	613,518.95
	9,410,589.57		All Other Liabilities .....	75,902.00
Miscellaneous Stocks .....	256,024.10	9,666,613.67	Total Reserves and Liabilities on Account of Policyholders .....	63,941,393.44
Loans on Company's Policies Secured by Pol- icy Reserves .....		17,236,733.46	Reserve for Contingencies To Provide for Investment Value Fluctuations.....	825,000.00
Real Estate (Including Home Office Property \$2,072,856.63) .....		7,397,823.54	Unassigned Surplus .....	1,539,478.21 2,364,478.21
Cash in Banks and in Offices.....		1,375,362.78		
Net Premiums Deferred and in Process of Col- lection .....		3,460,181.26		
Interest Due and Accrued .....		601,289.68		
All Other Assets .....		100,134.07		
Total Admitted Assets.....	\$66,305,871.65		Total to Balance Admitted Assets.....	\$66,305,871.65

\*Bonds subject to amortization are stated at amortized values as prescribed by The National Convention of Insurance Commissioners, while bonds not subject to amortization and stocks are stated at market values.

**ACACIA agents find greater and greater suc-  
cess in their work.** Their honor organiza-  
tion—the William Montgomery Quality Club—  
has 24% more members now than a year ago.  
Club members averaged 20% more paid-for busi-  
ness per member than in 1935; achieved 32%  
more net new business per member; attained a  
69% increase in net gain per member; earned 24%  
more money per member than in 1935.

You have doubtless read the recent Acacia adver-  
tisement telling, among other things, that under  
Acacia's Contract **there are no automatic termina-  
tions.** All of our agents work under this uniform  
contract, therefore all benefit from that unique  
feature. The Acacia contract is the only life in-  
surance contract that does not limit a man's earn-  
ing power.

# ACACIA

## MUTUAL LIFE INSURANCE COMPANY

Chartered by the Congress of the United States in 1869

Branch Offices in 60 Principal Cities

**William Montgomery, President**  
**51 Louisiana Avenue** **Washington, D. C.**

## Riehle Tells Trust Men About Their Weak Spots

### ADDRESSES MEET OF BANKERS

**Agents' Recommendations to Clients  
Will Depend Upon Attitude of Trust  
People Towards Criticized Practices**

NEW YORK, Feb. 11.—Progress toward closer cooperation between trust companies and life insurance men "is going to" depend very much upon the attitude of these agencies (the trust companies) toward the weak spots which presently exist in trust company operations, President T. M. Riehle of the National Association of Life Underwriters told the midwinter trust conference of the trust division of the American Bankers Association here. Mr. Riehle said the trust companies' attitude on these matters would have much to do with the extent that agents can conscientiously and without loss of prestige recommend trust companies as "conserving agent and a successor manager to stand in the place of our clients after the occurrence of death."

Failure to improve conditions which have been criticized would to some extent affect the attitude of insurance men's clients toward use of the corporate fiduciary for life insurance proceeds. Asking forgiveness if his remarks touched some tender spots, Mr. Riehle said that they are "very much in the minds of many people across the country who are your friends."

#### Violation of Confidence

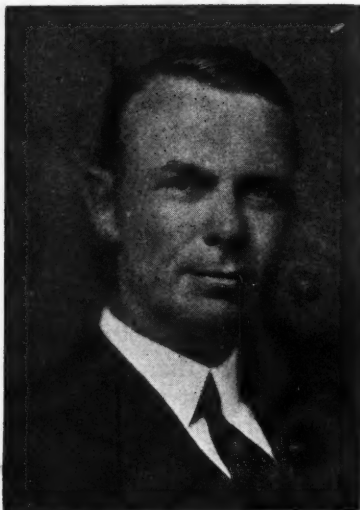
"A number of responses I received," he said, "dwelt upon the confidential nature of the fiduciary relationship and its occasional apparent violation. The trustor who has his trust in the trust department of the bank that handles his commercial or discount business has sometimes found that the officers in the commercial department have had knowledge of and have used this knowledge of his trust department relationship in dealing with his commercial relationship to the bank. They sometimes have accorded him treatment less favorable than that given to other customers who either had no trust assets or who perhaps, through fortunate accident, had established their trusts in another institution, so the commercial banker had no knowledge of its existence. I think that affairs of this sort create a difficult situation, one which many times puts the trust department officials to the difficult task of defending not only their department, but the whole institution with which they are connected. You can see, I am sure, how difficult is the position of the friendly underwriter when he is criticized for having recommended the establishment of that particular client's trust."

"Many of you have probably read the recent article in the 'Saturday Evening Post,' entitled 'Big Business What Now?' Part of this is devoted to a discussion of the failure of some trustees to unwaveringly adhere to the service of bond holders under indentures, etc. This has brought out pretty far into public view some short comings that ought to be rectified from within. Judges of our courts have written some pretty caustic language in recent decisions where trustees have pleaded the exculpatory clause as a defense when called to account by security holders, and we are sorry to say that there is feeling that many trustees have hesitated to sue for beneficiaries of trusts which contained securities which these criticized institutions distributed."

#### Convicted of Unlicensed Sales

H. B. Felton was found guilty by a jury at Chillicothe, O., of selling insurance in Ohio for an unlicensed company. He had sold policies for the Fidelity Mutual Association of Minneapolis.

## New Volume with Linton As Author Will Soon Be Out



M. A. LINTON

Harper & Bros., will in the near future publish a new book by M. A. Linton, president of the Provident Mutual Life, which will answer as directly as possible the irresponsible attacks that have been made on the institution of life insurance during the last several years. Mr. Linton has in the past made numerous addresses that were widely quoted by proponents of life insurance, a number of whom have urged that he answer for once and all the unfounded criticisms of the business. The title of the book will probably be "Life Insurance Speaks for Itself."

#### Chapter Headings

Mr. Linton minces no words in coming to grips with the problem, as is evident from the titles of a number of the chapter headings, which are phrased in the words of the critics themselves:

"You Charge Different Prices for the Same Thing."

"You Should Pay the Face of the Policy Plus the Reserve."

"In the Event of Death You Confiscate the Reserve."

"Protection and Investment Programs Should Always be Separated."

"When I Borrow My Own Funds You Charge Me 6% Interest."

"A Person Is Foolish to Buy Anything But Renewable Term Insurance."

"Cut the Cost of Life Insurance by Dropping Old Insurance and Taking New."

"An Unconscionable Charge for a Year's Protection."

"Life Insurance 'Dividends' to Fool the Public."

"The Obsolete American Experience Table of Mortality Makes Life Insurance Cost Too Much."

"How Expensive That Policy Is!"

"The Average Life of a Policy Is Only Seven Years."

"Lots of New Business and No Gain in Insurance in Force."

"You Profit Enormously When Insurance Is Surrendered."

"Is There Nothing About the Life Insurance Business That Could Be Improved?"

In addition to his duties as president of the Provident Mutual, Mr. Linton is president of the Actuarial Society of America, is ex-chairman of the executive committee of the Life Insurance Sales Research Bureau, a former chairman of the Life Insurance Week committee, and was actuarial consultant to the committee on economic security of the United States.

## High Honors Are Paid to Nelson B. Hadley in N. Y.

### NOTABLE SPEAKERS PRESENT

**Retiring Chief Life Insurance Examiner of the New York Department  
Is Praised**

NEW YORK, Feb. 11.—Leading off with a telegram of felicitation from Charles Evans Hughes, chief justice of the United States Supreme Court, the New York Life Underwriters Association's testimonial dinner to N. B. Hadley, retiring chief life company examiner of the New York department, held to a golden mean of bestowing richly deserved praise without sliding into a bog of sloppy sentiment which too often makes the audience writhe in sympathy for the guest of honor.

Speakers introduced by R. G. Engelsman, president New York association,

I am glad to know that the Life Underwriters Association is paying a tribute to Nelson B. Hadley on his retirement as chief insurance examiner in New York State after 30 years of service. It was my privilege many years ago to know Mr. Hadley and I frequently had occasion to examine his work. I formed a high opinion of his character, ability and fidelity and I take pleasure in joining in the felicitations of this occasion and in the deserved recognition of his faithful services to the state in a field which requires constant vigilance, intelligence and efficiency in safeguarding one of the most important of our public interests.—Charles Evans Hughes.

were Superintendent Pink of the New York department; Vice-president G. S. Van Schaick, New York Life, former insurance superintendent; President L. A. Lincoln, Metropolitan Life; Vice-president Alfred Hurrell, Prudential, and J. S. Myrick, manager New York City, Mutual Life of New York, all of whom are old friends of Mr. Hadley. Nobody was too serious about the whole business including Mr. Hadley, when it got to be his turn to talk.

#### Pink and Van Schaick Speak

"The greatest trouble with him is that he is a Republican," said Mr. Pink of the guest of honor. Mr. Pink is a Democratic appointee. "He believes in the Supreme Court and is not in favor of diluting it. He is in sympathy with Maine and Vermont and is very fearful that we Democrats will be able to send our office holders up there and bring them back into the Union."

Mr. Pink said he had trouble preparing his talk, as the main source of background material on Mr. Hadley was an article which appeared some time ago in a trade paper and "one of the other speakers had sent for that." However, Miss Mary Keeley, the superintendent's resourceful secretary, turned reporter and did a little interviewing on her own.

#### Lincoln Had Words of Praise

Mr. Van Schaick told of the walks he and Mr. Hadley used to take during the noon hour and the tremendous help which the chief examiner had been to him in the disturbed days of the insurance moratorium, and of the time Mr. Hadley flew to Ohio in bad weather to get some essential information and was back the following morning.

Mr. Lincoln praised the progressive viewpoint Mr. Hadley always took in the matter of company examinations

## Equitable Life of Iowa Is Observing 70th Anniversary

### HAS DAY PRODUCTION DRIVE

**Will Carry Out the Three Score and  
Ten Sentiment Throughout  
This Year**

The 70th anniversary of the Equitable Life of Iowa was celebrated by a one-day production drive, resulting in 501 applications from 318 agents for a total of \$1,605,497 of business.

The event, which was called "Founders Day," was based on a plan whereby all of the agencies would provide a candle for a birthday cake. The cake was real but the candles were paper folders, 12 inches high, cut out in the form of birthday candles.

#### Description of the Candles

The outside of each of these paper candles was printed in natural colors and contained a space for the name of the agency and the total amount of business submitted by that agency on the anniversary. The inside of each paper candle contained an appropriate greeting to the company and space for each agent to write in his name and the amount of business he submitted. At the close of business these candles were filled in at the various offices and mailed to Des Moines where they were placed upon the birthday cake.

Sales activities throughout 1937 will feature the 70th anniversary idea.

#### Leaders in the Drive

The Williamsport agency, Roy G. Lauer, general agent, ranked first among all agencies on "Founders Day" with a total volume of \$108,550; Kansas City, H. A. Hedges, general agent, ranked second with \$96,100, and Des Moines, Hilmes & Srief, general agents, was third with \$79,000.

George W. Randall, million dollar producer in the Williamsport agency, led all agents with a volume of \$64,371 secured on the birthday. S. M. Treat of New York City ranked second with \$33,400 and F. B. Woodruff of Des Moines third with \$30,000.

and his opposition to proposals which would have sharply limited the amount of insurance which could be written by any company during a year. He said he felt he could always approach Mr. Hadley with the feeling that he was not a hostile critic but a wise counselor and friend, and that if he disagreed with a proposal it was time to stop, look and listen.

#### Hurrell Paid Tribute

Mr. Hurrell lauded the guest of honor as a true progressive and said that whatever had been the cost of supervision such as furnished by Mr. Hadley it was worth many times that amount to the policyholders who benefited by it. As a progressive, "he never started to break up something without knowing where the pieces would land and what could be constructed out of them," he said.

Mr. Myrick presented on behalf of the association a scrapbook of clippings to Mr. Hadley's son; a large antique Sheffield silver tray to Mrs. Hadley; and to Mr. Hadley himself an inscribed scroll setting forth the association's appreciation of his services.

#### Mid-Continent Life Convention

The Mid-Continent Life will hold its agency convention in the home office building in Oklahoma City Saturday. A banquet will be held in the evening. R. E. Leonard, agency manager, will be in charge. A number of subjects pertaining to sales and plans for the year will be discussed.



# THIRTY-SEVENTH ANNUAL FINANCIAL STATEMENT » Year Ending December 31, 1936



## ASSETS

Bonds Owned .....	\$25,044,584.53
Stocks Owned .....	58,900.00
Real Estate Loans, First Mortgages .....	11,335,696.24
Cash in Banks and Offices....	2,233,965.32
Real Estate Owned, of Which \$1,192,933.99 Is Used for Company Purposes .....	4,639,960.46
Loans on Bonds .....	25,000.00
Net Unpaid and Deferred Premiums, etc. ....	1,620,524.19
Policy Loans .....	2,629,598.45
Interest Due and Accrued....	557,351.75
<b>TOTAL ASSETS .....</b>	<b>\$48,145,580.94</b>

## LIABILITIES

Legal Reserve, Life Insurance Policies .....	\$35,794,577.17
Reserve, Disability Policies..	134,439.05
Contingent Reserve .....	1,763,859.92
Reserve for Epidemics .....	1,000,000.00
Investment Fluctuation Fund	900,000.00
Gross Premiums Paid in Advance .....	294,027.18
Taxes Accrued, But Not Due.	517,954.73
Commissions to Agents, Due and Accrued .....	235,273.40
Agents' Bond Deposits.....	437,071.87
Policy Claims in Process of Payment and Adjustment..	169,499.97
All Other Items.....	150,814.39
<b>Liabilities Other Than Capital and Surplus .....</b>	<b>41,397,517.68</b>
<b>Capital and Surplus.....</b>	<b>6,748,063.26</b>
<b>TOTAL LIABILITIES...\$48,145,580.94</b>	

Increase in Life Insurance in Force During 1936 .....\$ 80,734,482.00  
 Total Life Insurance in Force December 31, 1936..... 536,728,355.00

**THE NATIONAL LIFE & ACCIDENT INSURANCE CO., Inc.**

HOME OFFICE

NASHVILLE, TENN.

C. A. CRAIG, Chairman of the Board

W. R. WILLS, President

## Budgetary, Work Control by Agents Is Considered

### HEIFETZ AGENCY IN CLINIC

#### Young Agent Keys Plan of Million Dollar Production to Regimentation

Rigid regimentation of agents assumed by them voluntarily as a means to success, and strict budgetary control so the agents can live within the amount they realize in cash commissions were discussed at a meeting of the Samuel Heifetz agency, Mutual Life of New York, in Chicago. Some such control in order to minimize financial difficulties of agents and leave their minds and energies free to concentrate on selling is generally recognized as necessary today.

Mr. Heifetz introduced George Griesbach of the Rockford, Ill., agency, Home Life of New York, who although he has been connected with that company only a year and considers himself a novice, has worked out a complete financial budget and work control plan keyed to million dollar production. Mr. Heifetz said that Mr. Griesbach is well on the way toward reaching the million.

#### Emphasizes Good Habits

Mr. Griesbach stressed the importance of good working habits, rigid persistency to duty, need for a planned program of daily production and the duty of keeping abreast with client's interests and problems. The plan which he has worked out in an effort to reach the million dollar goal includes seeing 1,000 prospects during 1937 to realize 200 sales, or one out of every five; 83 prospects a month to realize 17 sales, or a total of \$84,000 insurance written per month; 21 prospects a week, with a resulting four applications or \$21,000 of insurance.

He presented his 1937 budget and daily time schedule, which are:

#### Budget for 1937

Food .....	\$1,380.00	
Rent .....	504.00	
Mortgage interest .....	252.00	
Taxes .....	60.00	
Gas, elect., heat, phone, water and ice .....	32.00	
General insurance .....	50.00	
Home equip., repairs .....	300.00	
Clothing and footwear .....	100.00	
Laundry and tailor .....	52.00	
Fares and lunches .....	200.00	
Auto expense .....	106.00	
Allowances .....	150.00	
Doctor and dentist .....	200.00	
Drug supplies .....	200.00	
Any business expense .....		\$3,080.00
Life insurance .....		\$ 106.00
Savings account .....		300.00
Mortgage repayments .....		1,337.00
Reduc. of indebtedness .....		
Other investments .....		\$1,743.00
Theaters, amusement .....	\$ 60.00	
Education, music .....	25.00	
Clubs, lodges .....	40.00	
Church, charities .....	50.00	
Tobacco, books, papers .....	30.00	
Gifts, services, etc. ....	25.00	
Vacation .....	100.00	
Incidentals .....		\$ 330.00
		\$5,153.00
		— 920.00
Total annual requirement .....	\$4,233.00	
Total monthly requirement .....	353.00	

#### Daily Time Schedule

6 a. m.—Awake.  
6:30—Dress and prepare toilet.  
6:30-7:15—Breakfast and paper.  
7:15—At office. Mail, chart work.  
8:30—First interview.  
9:45—Second interview.  
11—Third interview.  
12:15 p. m.—Luncheon engagement.  
2-3—Chart delivery.  
4-5—Dictation and coming day's work arranged.  
5-6—Work on charts.  
6-7—Dinner.  
7-8:30—Evening call.  
9-10—Office work.  
10—Bed.

B. J. Stookey of the Heifetz agency reviewed the company's financial progress. Mr. Heifetz also spoke, outlining plans for 1937.

## Women's General Agency Opens

An all-woman life general agency, believed to be the first of the kind in the country, has been opened in the Insurance Exchange, Chicago, by Mrs. Catherine P. Girault, who has just been appointed general agent by the American United Life. Mrs. Girault, an experienced life insurance woman whose husband, the late Peter L. Girault, for 20 years was agency manager of the Equitable of New York in Chicago, is now recruiting women for her staff.

She believes women have a great opportunity in life insurance selling on a strictly business basis, and that they have not come into their own in the business, for a number of reasons. There are a few women's divisions of general agencies and branch offices composed largely of men agents. These divisions have been outstandingly successful, but they have been built very largely by the unaided efforts of a few far-seeing, industrious women agents, Mrs. Girault believes.

#### Formerly on Insecure Basis

Women in life insurance sales staffs heretofore, she says, as a rule have been accepted without much enthusiasm by agency heads and staffs. Generally the women in the business, she says, have not received unqualified support, coaching and assistance of the men. The women, generally without business experience, have had to ask the men many questions about matters that appeared simple to the latter, and in some quarters, at least, the women have been looked on as a nuisance.

Mrs. Girault says women entered the selling end of the business with more or less misgivings on the part of the men in it, who felt it was not a business for women and they might unduly use their feminine charm. This attitude has been modified due to fine records achieved by some outstanding women agents. Women's divisions have been formed in local life underwriters associations, in the National Association of Life Underwriters, and the women at the Boston national convention last year were given place on the program with their "Quarter Million Dollar Round Table."

#### Sees Great Opportunity

"There is a much larger field in selling life insurance to women in this country today than ever before in history," Mrs. Girault says. "I decided to form an all-woman's agency, not merely to sell to women, but also to men. I believe the woman life insurance agent who depends upon feminine charm to sell business will not last very long. The man who buys a policy because the woman agent is pretty and fascinating may not keep the policy very long."

"It is also true that the backbone of an agent's business is the endless chain system leading from a sold client to a friend or business associate who is a good prospect. I do not believe that many men who buy policies because of the sex appeal would want to give the woman agent names of other friends and associates to see."

"The Girault agency represents one of the first serious efforts in this country to give women their rightful place in the business on a business basis. My women agents are going to be thoroughly trained in life insurance and selling, and conduct themselves on a high professional plane."

Mrs. Girault will conduct a school for women recruits, the training especially built around the selling of the American United's family group form, under which an entire family can be insured in one policy at the group rate. She is drawing her recruits from two classes of women, those with social contacts who will be able to go out after more important lines, and women better fitted to do a day-by-day intensive prospecting job and make many calls. She believes that in this latter field there is as much opportunity for women as there is for men agents and that women



MRS. CATHERINE P. GIRAULT

agents have not for the most part been trained to this kind of hard work.

The formal opening of the Girault agency will be Feb. 15. Mrs. Girault is assisted by her daughter, Catherine.

Upon Mr. Girault's death his widow entered the life insurance business to handle his own personal business. She went through the Equitable's correspondence course and then studied in the field schools. In her first year she paid for about \$450,000 of life business and in her second year approximately \$400,000. In 1931 she broadened her business, also doing casualty and fire soliciting, going with Hodgkinson & Durfee, general insurance agency of Chicago, and two years later becoming an office broker with Fred S. James & Co. in that city. She has built up a substantial volume of general insurance business in addition to maintaining good life production.

Mrs. Girault's office is the second general agency of the American United in Chicago.

#### Capitol Life Winners

Fred D. Krueger of Denver won the year-long contest of the Capitol Life of Denver in which the first prize was an automobile. He produced a larger volume above quota than any other agent.

Prizes for exceeding their quotas by 30 percent were awarded to H. O. Weber, Denver; W. A. Diffy, Jr., Dallas; Sol Zuckerman, Cheyenne; M. M. Friedman, El Paso; Sanford Stewart, Denver, and William Golden, Oklahoma City.

Third prizes went to J. P. Cherrod, Kansas City; J. M. Moser, Houston, Tex., and S. G. Bailey, College Station, Tex.

#### Lockwood Sole General Agent

R. P. Lockwood becomes sole general agent for the Connecticut Mutual Life at Portland, Ore. His father, S. P. Lockwood, who had been associated with him for 11 years, died Jan. 15 at the age of 70. The office will continue under the name of the Lockwood Agency. R. P. Lockwood joined the Connecticut Mutual in 1926, going in partnership with his father.

#### Patterson to Shake Hands With Penn Mutual Men

A. E. Patterson, vice-president Penn Mutual Life in charge of agencies, will visit the Chicago offices next Tuesday and will take particular delight in returning to his former agency. Mr. Patterson's ambition during 1937 is to shake the hand of every man who is licensed as an agent of the Penn Mutual Life.

## Evening Classes Help Offset Part-Time Pact Handicaps

### TEACH POTENTIAL RECRUITS

#### Men With Jobs, Most Desirable Candidates, Enabled to Make Choice With Eyes Open

NEW YORK, Feb. 11.—Evening training courses for prospective agents are being used successfully by some agencies as a solution to the recruiting problem and particularly in overcoming the handicap imposed by the inter-company agreement on part-timers in urban centers. It used to be possible to try a new man out and get him started in the life insurance business while he still kept his full time job in some other field. Later he could quit his first job with a fair degree of knowledge of the life insurance business, with a number of paid for cases to give him confidence and cash, and good supply of prospects.

The part-time agreement prevents most general agents and managers from taking on men with other full time jobs and letting them do any actual selling. But it is still possible to get likely recruits having full time jobs and let them attend a course in life insurance and salesmanship in the evening. As a general thing, men with jobs are much more desirable recruits for life insurance selling than those who are unemployed. The fact that a man has no job may cause him to delude himself into believing he is more enthusiastic about the life insurance business than he really is, particularly if any financing is in prospect.

#### Responsibility Is Problem

At the same time, general agents and managers have a certain amount of hesitation about taking a man out of a job where he is at least earning a living and putting him in a position where he may be a victim of the heavy mortality that prevails even in the better agencies. The evening school method enables the agency head to make his choices with far more confidence and permits the potential recruit to take the proposed step with his eyes open. This schooling period also gives the new man a chance to organize his prospecting activities so as to be all set for a flying start when he does give up his old job and take up life insurance selling.

The general principle of these schools is that the new man is under no obligation whatever to sign a contract after attending the school nor is the general agent under any obligation to take him on. The plan has been generally satisfactory.

#### Progressive Life Is Revamped

The Progressive Life Association of Los Angeles which has heretofore operated as a "chapter eight" company has transformed into a "chapter nine" mutual life and disability company writing on the stipulated premium plan, changing its name to the Progressive Life Insurance Company. J. B. Lowe is president and L. D. Collins, secretary.

#### Chinese Representative Home on Leave

SAN FRANCISCO, Feb. 11.—H. E. Newbill, general agent of the West Coast Life in North China and Manchuria, is at the home office en route to his former home in Virginia where he will spend a six months' leave before returning to the Orient. Mr. Newbill has been in China 20 years, 14 of which he was a United States consular officer. For the past six years he has been with the West Coast Life and also an import and export merchant. This is his first visit to the United States in 10 years.



## N. Y. Life's Insurance in Force 40 Million Higher

NEW YORK, Feb. 11.—Gains of \$160,000,000 in assets and \$40,000,000 in insurance in force were reported by Chairman T. A. Buckner of the New York Life at the February directors' meeting.

F. A. Wickett, for many years western superintendent of agencies with headquarters in San Francisco, was elected

a vice-president and the nominations of T. F. Daly and R. K. Paynter, Jr., as assistant treasurers were confirmed.

Assets at the year's end were \$2,404,236,413, liabilities \$2,280,339,781, leaving a general surplus of \$123,896,632. Reserves include more than \$38,000,000 reserved for 1937 dividend payments. Bonds issued or guaranteed by the United States government totaled \$440,000,000 or 18.31 percent of assets, an increase of \$119,000,000 over the previous year; corporate, municipal and other bonds, more than \$855,000,000, an in-

crease of \$65,000,000; policy loans \$36,000,000 or 1.5 percent of assets, a drop of \$18,000,000.

Insurance in force is \$6,660,000,000 on 2,722,956 policies. The company paid or credited to policyholders or beneficiaries approximately \$199,000,000 and issued \$451,262,200 in new insurance; receiving in addition \$46,000,000 in annuity premiums.

### Still No Illinois Code Bill

SPRINGFIELD, ILL., Feb. 11.—Both houses of the Illinois assembly re-

cessed Wednesday until next Tuesday. After announcing their intention to do so, administration leaders failed to introduce the proposed new insurance code. It probably will be introduced next week.

### Kentucky Home Interrupted

The Kentucky Home Mutual Life home office building in Louisville has been closed for 17 days on account of the flood. At no time did the flood reach the building, but business could not be resumed.

# OUR 50<sup>th</sup> ANNIVERSARY YEAR

## OVER \$51,400,000.00 PAID ON POLICIES SINCE 1887

### Financial Statement, January 1, 1937

#### ASSETS

First Mortgage Farm Loans, including Tax Sale Certificates .....	\$ 9,492,800.43
Cash in Office and Banks .....	762,141.72
Cash Loans on Company Policies .....	8,712,104.00
Bonds (Amortized Value) .....	13,032,868.88
U. S. Government and Government Guaranteed .....	\$5,268,676.25
Federal Land Bank .....	2,259,181.50
State, County and Municipal .....	5,008,733.22
Public Utility and Railway Equipment .....	410,353.61
Canadian .....	85,924.30
Real Estate (including Home Office) .....	8,225,890.14
Real Estate Under Contract of Sale .....	146,512.72
Interest Accrued .....	393,414.48
Deferred and Unreported Premiums .....	418,524.50
Due from Reinsurance .....	208.04
Furniture and Fixtures Account .....	None
Collateral Loans .....	None
Premium Notes .....	None
Stocks .....	None
Other Assets .....	None
<b>ASSETS, December 31, 1936 .....</b>	<b>\$41,184,464.91</b>

#### LIABILITIES

Reserve (Full Net Level Premium) .....	\$28,367,071.11
Death Claims Reported, Proofs Not Completed .....	54,756.02
Reserve for Unreported Death Claims .....	25,030.00
Premiums Paid in Advance .....	36,629.02
Interest Paid in Advance .....	188,119.83
Suspense Account .....	16,635.52
Dividends and Installments Left With Company and Interest Thereon .....	232,001.64
Reserve for Taxes .....	300,000.00
Reserve for Salaries, Medical Fees, etc. ....	32,187.60
Contingency Reserve for Participating Business Written Since January 1, 1915 .....	1,789,564.86
Reserve for Policy Dividends (Apportioned and Unapportioned) ....	6,069,800.08
Capital Stock .....	500,000.00
Surplus .....	3,572,699.23

**TOTAL .....** **\$41,184,464.91**

#### Record of Nineteen Hundred Thirty-six

Death Claims Paid .....	\$ 691,526.51	Total Paid Policyholders .....	\$ 4,100,767.15
Cash Payments to Living Policyholders .....	3,409,240.64	Insurance Issued and Revived .....	13,697,151.86
<b>INSURANCE IN FORCE (paid for basis) DECEMBER 31, 1936 . . . \$124,314,142.24</b>			
Percentage of Death Losses Paid to Mean Insurance .....	0.557	Percentage of Lapse and Surrender to Mean Insurance .....	6.99
<b>Average Percentage of Actual to Expected Mortality, December 31, 1915 to December 31, 1935 . . . 40.05</b>			

**WE LEAD THE WORLD IN OUR HOME STATE IN OLD LINE INSURANCE IN FORCE**

**SINCE 1887**

**Dankers Life**

**INSURANCE COMPANY of Nebraska**

**L I N C O L N**

## LEGISLATIVE DIGEST

### GENERAL

**New York**—Austin assembly bill calls for investigation of dormant unpaid claims insurance policies.

**New Mexico**—Agents qualification bill has been amended to eliminate provisions for setting up an enlarged insurance department fund in the hands of the superintendent. Another bill liberalizes the requirements on types of securities necessary to qualify a company for admittance, increases the salary of the insurance superintendent to \$3,000 per year and changes the definition of what companies may do under life, fire and casualty classifications. The superintendent would have the power to approve or disapprove of any securities offered, regardless of whether they are

defined in the list of permitted types.

**Massachusetts**—President C. W. Wyatt of the Boston Life Underwriters Association appeared before the insurance committee backing a bill providing for group insurance for the benefit of creditors with 100 members minimum and a limit of \$10,000. The bill is patterned after the New York law.

**Rhode Island**—McHugh bill provides for savings bank life insurance.

**Connecticut**—Savings bank insurance provided in Barrett bill.

**South Dakota**—Wright bill provides a new stock company must have an authorized capital of at least \$200,000, of which \$50,000 shall be fully paid in cash, and which shall be increased to

\$200,000 within five years from date of issuance of the first policies.

**Nebraska**—The bill providing for the merciful death on court order of any person suffering from an incurable disease carries a provision that this shall in no wise relieve life insurance companies carrying policies on victims from liability for full payment of contracts.

**Nebraska**—Insurance companies would be included in the list of solvent corporations about which false statements of condition or malicious criticism may not be circulated under penalty of heavy fine or imprisonment or both. The existing law covers banks only.

**Arkansas**—Life companies of other states will not be permitted to sell policies in Arkansas in any classification of insurance unless similar policies may be sold by Arkansas companies in the states in which other companies are organized under Chrisp bill passed by senate.

**Minnesota**—Insurance people are preparing arguments against an amendment to bring insurers within the income tax law of Minnesota. At present, insurers are exempt in that state. Under the amendment, each insurer would be required to report to the commission the net income returned by it for the taxable year to the United States under the provisions of the revenue act of 1936 and the commission shall compute therefrom the taxable net income of such companies by assigning to Minnesota, the proportion thereof which those premiums during the taxable year written in Minnesota bear to the total gross premiums.

**Colorado**—Premiums of mutual benefit companies would have to be based on the American Experience table under a bill drafted by J. G. Donaldson, assistant attorney-general. Premiums would have to provide for payment of claims in full and if the mortality fund thus created was not sufficient to permit full payments, assessments would have to be made. All mutual benefits would be placed under the supervision of the insurance department. There are 32 titles covering mutual benefit regulation before the legislature.

**Alabama**—Chichester bill making it a misdemeanor to circulate derogatory statements as to the solvency of insurance companies has passed the house. Another bill amending Section 8351 of the Alabama code, requiring domestic and foreign insurance companies to keep a \$50,000 deposit with the insurance department has also passed the house.

### FINANCIAL

**Michigan**—The extension of the mortgage moratorium for two years from its expiration March 31 is unlikely. The bill rushed through the house came to grief in the senate judiciary committee. Members of that committee expressed belief that the "emergency is over" and that it is no longer necessary to deter mortgagees and holders of defaulted land contracts from carrying through foreclosure and eviction proceedings.

**Nebraska**—The recommendation for passage of a bill extending the present mortgage moratorium for one year has been changed to two years to avoid threatened legal action.

**Oklahoma**—A bill patterned after the Robertson law in Texas has been introduced. Commissioner Read is opposing it.

**Pennsylvania**—Kunkel senate bill limits interest on policy loans to 4 percent.

**Pennsylvania**—A bill has been introduced in the senate reducing the rate of interest life companies can charge on policy loans to 4 percent.

### PENSIONS

**Iowa**—Creation of a state teachers annuity system is proposed. The pension would start at 60 and would be 1½ percent of the average annual salary for each year of service. Contributions depend upon age and sex, varying from

## John Hancock Elevates Several Staff Members



BYRON K. ELLIOTT

Byron K. Elliott, general counsel of the John Hancock Mutual, has been elected vice-president as well. He was formerly manager and general counsel of the American Life Convention. C. J. Diman, secretary, is also made vice-president but will continue as secretary. Three new second vice-presidents were elected. Hjalmar Lundberg, who has been auditor; T. F. Temple, formerly superintendent of agents and C. F. Glueck, manager of the group department. J. W. Messenger will succeed Mr. Temple as superintendent of agents. J. H. Wood, agency comptroller, will be general manager of general agencies.

4.52 percent to 8.54 percent of salaries. Disability provisions are included.

**Nebraska**—A teachers' retirement bill creating a pension fund to which the teacher and the state contribute equally.

### ACCIDENT AND HEALTH

**Massachusetts**—Insurance committee questioned advisability of bill exempting proceeds of health and accident from the claims of creditors. Some members favored exemption limited to bills incurred after disability, others would exempt only a percentage.

### INDUSTRIAL

**Maryland**—Callan bill provides the various conditions and restrictions for industrial life insurance policies. It is approved by the state insurance department. Salient provisions are: If the age of insured has been misstated, the amount payable under the policy shall be such as the premium paid would have purchased at the correct age. Every policy must have a brief description of the contents in bold letters upon its face.

**New York**—Neustein assembly bill requires life industrial policies to contain loan provisions required in ordinary policies.

### Business to Spurt

**BIRMINGHAM, ALA., Feb. 11.**—A surge of business soon after the waters abate in the Ohio Valley flood zone is predicted by S. T. Whatley, vice-president in charge of agencies of Aetna Life, who is now on a transcontinental tour of agencies. He said the flood created a demand for new goods of all descriptions. Business is already brisk elsewhere, Mr. Whatley said.

### Aetna Life Men Promoted

H. S. Beers, associate actuary Aetna Life, has been elected vice-president. Ralph Keffer, assistant actuary, was chosen actuary.

## Connecticut General Life Insurance Company

Hartford, Conn.

### SEVENTY-SECOND ANNUAL REPORT

The business of the Connecticut General Life Insurance Company during 1936 made steady progress in all departments. Improved incomes and a more widespread conviction that adequate financial security is most surely attained through life insurance contributed to increased sales.

Total income, assets, new business and insurance in force, all showed substantial gains.

New life insurance paid for amounted to \$165,201,622, an increase of 19.4% over 1935. Life insurance in force at the end of the year totaled \$1,056,559,897, an increase of nearly \$50,000,000 for the year.

All lines of group insurance made excellent progress.

Life insurance premiums totaled \$33,537,787. Premiums in the accident department increased from \$1,817,730 to \$2,068,898.

Funds left with the Company to be paid in instalments in lieu of lump sum increased by 48.4% and amounted to \$3,630,463. This is evidence of the growing use of income settlements on the part of the public to protect insurance estates.

An increase of 12.9% in income from investments brought the total to \$9,912,768.

Total income increased to \$50,640,254.

Assets increased \$19,504,708 during the year and on December 31 totaled \$208,417,564.

The voluntary contingency fund was increased to \$2,500,000 and excess security to policyholders, excluding such fund, increased to \$9,064,282.

Payments to life and accident policyholders and their beneficiaries during 1936 amounted to \$21,098,948. There was a decline of 24.9% in insurance surrendered. Since organization the Company has paid to policyholders and beneficiaries \$263,024,269.

We enter our 73rd year convinced that the public is going to make more and more use of life insurance in its quest of financial security, and with an agency organization better trained and better equipped than ever before to help the public use life insurance to best advantage.

accident policyholders and their

1936 RECORD	
Assets	\$ 208,417,564
Reserves and other liabilities including contingency fund \$2,500,000	199,353,282
Excess security to policyholders	9,064,282
Life insurance premium income	\$ 33,537,787
Accident insurance premium income	2,068,898
Total income	50,640,254
New paid life insurance	\$ 165,201,622
Gain over previous year 19.4%	
Life insurance in force December 31	1,056,559,897
Payments to policyholders and beneficiaries	
Year 1936	\$ 21,098,948
Since organization	263,024,269



## R. R. Lounsbury to Become Atlantic Life's President

### SWINK HAS RESIGNED POST

**Bankers National Head to Retain That Office—Companies Will Be Independent**

NEW YORK, Feb. 11.—R. R. Lounsbury, president of the Bankers National Life of Montclair, N. J., is expected to be elected president of the Atlantic Life at a meeting of stockholders today in Richmond, succeeding A. O. Swink, resigned. He will continue as president of the Bankers National but the companies will be operated on an entirely independent basis. No other changes in Atlantic Life personnel are expected.

RICHMOND, VA., Feb. 11.—Angus O. Swink, president of the Atlantic Life, announced his resignation unexpectedly Tuesday night from New York, following a conference there with representatives of the Bankers National Investing Corporation, which recently acquired stock control of the company. While in that city he talked with the man slated to succeed him but he declined to disclose the man's identity. He stated, however, that the man was not a New Yorker. Mr. Swink will continue as a director of the company and will serve it in an advisory capacity. He plans to take a vacation before making any new plans. He has been president since Jan. 1, 1929. For 20 years before becoming head of the Atlantic Life he was head of a general agency of the company in Richmond, operating in Virginia and the District of Columbia. His personal production in that period ran from \$1,000,000 to \$4,250,000 annually. He started in the insurance business in Roanoke in 1902 as an agent of the New York Life.

No other changes in the official personnel of the Atlantic are expected.

### New Board for National, Canada

TORONTO, ONT., Feb. 11.—The National Life of Canada elected a new board of directors at its annual meeting: President, H. R. Bain of H. R. Bain & Co., brokers, Toronto; vice-president, Robert Fennell, Toronto; barrister, Col. H. A. Bruce, lieutenant-governor of On-

tario; E. W. Hamber, lieutenant-governor of British Columbia; A. H. Beaton, Toronto barrister; A. A. Aitken, Montreal financier; F. D. Reid, Toronto, and Denton Massey, Toronto. Of these directors, the only one who was on the former board is Mr. Beaton, who was president.

Executive officers are announced as follows: M. W. McCutcheon, assistant to the president and secretary; R. M. Huestis, manager of agencies; J. P. Dandy, actuary; E. C. Noble, medical referee.

### Find Creditor Can't Reach Dividend Accumulations

NEW YORK, Feb. 11.—Dividend accumulations have been held to be part of the "proceeds and avails" of life policies and hence exempt under New York's section 33a from the claims of creditors of the insured, in a decision recently given by the U. S. circuit court of appeals for the second circuit sitting in New York City. The case, though involving only \$233, is important because of the vast amount of dividend accumulations held by the companies.

The federal court, pointing out that

state decisions are in conflict, and that since the New York court of appeals has not passed on this precise point, the circuit court of appeals will adhere to the view that these dividends are exempt, reasserted the well known doctrine that exemption statutes should be liberally construed.

The New York State Association of Life Underwriters, according to its established practice, intervened in the case through its counsel, Albert Hirst, as friend of the court in all three courts passing on the case, that is bankruptcy referee, federal district court, and U. S. circuit court of appeals.

### Wins Directors' Cup

Agency Vice-president D. Gordon Hunter this week presented the Directors' Cup to the Sam P. Davis (New York City) agency of the Phoenix Mutual Life for the year's outstanding record. Starting virtually from scratch in 1932, Mr. Davis registered a large increase last year over his 1935 business and over his 1936 quota.

At the same time Mr. Hunter awarded the premium leader cup to I. Austin Kelly III, for leading all agencies in paid premiums.

## Great-West's Managers in U. S. and Canada Gather

H. W. Manning, assistant general manager Great-West Life, Winnipeg, Man., in charge of agencies, and D. E. Kilgour, inspector of agencies, are winding up this week a series of four managers conferences which started last week in a two-day rally of western Canada managers held in Winnipeg. The second meeting was in Chicago, 11 managers attending. The third session was on Thursday and Friday in Toronto, and a fourth was scheduled to be held at another point in Canada. The Chicago gathering was devoted entirely to interests of U. S. managers.

Interesting results of a "composite agent" in 1936 were reported. All Great-West managers had nominated a new agent each, whose record was analyzed and pooled with all the others to give a cross-section result of new organization.

Arthur H. Kohn, 78, veteran insurance executive, died at his home in Columbia, S. C. Mr. Kohn had served as secretary and treasurer of the Carolina Life.

### Twice President



R. R. LOUNSBURY

R. R. Lounsbury, president Bankers National Life, is also becoming president of the Atlantic Life, succeeding A. O. Swink, resigned.

## BUILDING FOR STABILITY

NWNL'S GROWTH DURING  
THE PAST TEN YEARS (1926-1936)  
HAS BEEN EXCEPTIONALLY SOUND  
AND STABLE... WHILE ITS  
INSURANCE IN FORCE HAS  
INCREASED 68% AND ASSETS  
HAVE INCREASED 141%, SURPLUS  
FUNDS HAVE INCREASED 172%

## NORTHWESTERN NATIONAL LIFE INSURANCE COMPANY

O. J. ARNOLD, PRESIDENT

STRONG

MINNEAPOLIS, MINN.

LIBERAL

## John Hancock Mutual Men Assemble at Home Office

### AGENCY MANAGEMENT TOPIC

#### General Agents Give Personal Experiences in Recruiting and Building of Their Organizations

The John Hancock Mutual General Agents Association chose the first anniversary of President Guy W. Cox's accession to office, for their meeting in Boston. President Cox spoke at the luncheon given in his honor.

Harry Gardiner, New York City general agent and president of the General Agents Association, presided.

"Recruiting is the general agents' most important job," said J. Harry Wood, agency comptroller, in an address. "He must get the material before he can go to work on it. The problem is not one of mass recruiting versus quality recruiting."

#### Building Up an Agency

"Too much quality can and often does mean too little quantity. The really successful agency is not one of world-beaters from the start, but one where average men are trained and inspired to do a better than average job. And that's the general agent's task. A general agent shouldn't be an office manager; he shouldn't be a claim adjuster; he shouldn't be a conservation clerk; he shouldn't be a correspondent—but he should be first and finally a sales manager."

"Contrary to popular belief, men do not work for money alone. Your job is to find the driving force that pushes a man toward achievement and stimulate that force in him. Making your men want to make good is half the battle. Education of your men is a fine and a necessary thing, but it isn't training. Too many insurance agents are suffering from an overdose of education and an undersupply of training. It's not enough for a man to know; he must be schooled to use what he knows."

"Three things are vital in training. First, teach prospecting; second, show your men how to make good sales presentations; and third, how to cultivate good work habits. These first things come first. Other things can follow."

#### Adams Explains His Method

"Agree on your training procedure and stick to it," said General Agent A. C. Adams of New Haven, in explaining how he does training on the inside. "I believe in careful coaching and training of the men before they go out as well as in working with them in the field. It inspires an agent when he sees that his general agent's methods actually work for him. There's a big plus in knowing how to do the job yourself. To quote the old saying: 'Good horses make good jockeys and good players make good coaches.'"

General Agent W. B. Ackerman of Cincinnati talked on outside coaching on the job. He does a great deal of joint work with the agent, and says too many general agents yield to the temptation to step in and work on the case if the sale appears to be eluding the agent.

#### Learn to Stand on Own Feet

"The best method of training that I know of," said Mr. Ackerman, "is to let the agent take every other case without any interference or help. Let him sink or swim. It's hard to let him lose it, but it's better training for him. That way a man learns to stand on his own feet and becomes an independent writer much sooner than if he is 'saved' at a bad turn by the general agent's taking over the interview."

General Agent R. W. Hoyer of Co-

## Equitable of Iowa Founders Group



Officials of the Equitable Life of Iowa on "Founder's Day" are shown standing around a birthday cake, the candles being furnished by the various agencies. The event was celebrated by a one-day production drive.

In the picture, left to right are President H. S. Nollen, P. K. Adams, assistant supervisor of agencies; Grady Fort, field supervisor; F. W. Hubbell, vice-president and treasurer; E. E. Smith, agency secretary; Secretary J. W. Hubbell, A. S. Anderson, manager service section; R. G. Hunter, vice-president and actuary; P. C. Irwin, assistant actuary; R. E. Fuller, assistant superintendent of agencies, and E. E. Cooper, agency assistant.

lumbus, Ohio, talked on supervising an old organization. Mr. Hoyer's methods are unique and a product of his own dynamic personality. He believes in keeping his agents excited all the time. He carries on a voluminous personal correspondence with his men, has an honest interest in the lives and fortunes of all of them and his dealings with them are packed with inspiration.

"My agency is no app-a-week organization. Three apps-a-week is the goal," said Mr. Hoyer. "I know what Mr. Wood says about men not working for money alone is true. I find out what reason every man has for wanting to be a success—and I know them all well enough personally, so that I can find out—and I keep him excited over getting there. I tell a man that he is the best salesman in town, because he is, whether he knows it or not. Making him believe it is half the battle of building him into a leader. Every man who is worth his salt, has enough good qualities in him to make him stand out in a crowd. Develop those qualities and you've an agency force to be proud of."

Paul Clark, general agent at Boston, choosing recruiting for his subject, said the trend is back to younger men and middle aged women. "The biggest problem must be faced and solved if we are to attract men of the right calibre and keep them with us until they are producing."

Walter Powell, general agent at Atlanta, gave a talk on recruiting. A former football coach himself, Mr. Powell thinks coaching methods can be carried right into business and does it successfully.

"I think the task is more one of recharging than motivation," said he. "Men are likely to rest on their laurels and get slack and then it's time to bring up the fighting spirit. 'Go in there and fight' is just as good a slogan for the general agent as for the athletic coach."

A. H. Dalzell, conservation manager of the Paul Clark agency of Boston, gave a talk on his methods of reinstating lapsed business.

"Agents should be ranked," said Mr. Dalzell, "by persistency as well as production. In every case of a surrendered policy, I see the writing agent personally and find out the whole story. Getting this background helps a lot in keeping the business."

R. C. Meadows, general agent National Life of Vermont, Binghamton, N. Y., reached fifth place among the general agents of the company in 1936. In 1935 the Meadows Agency was in tenth place. Mr. Meadows is building an organization in 20 counties of central New York.

## Kansas City Life Raises Its Single Premium Rates

The large volume of single premium life and endowment business written recently by the Kansas City Life has caused the company to promulgate new rates averaging over \$100 per \$1,000 higher than at present. This action was taken largely on account of the investment situation.

The company will accept completed applications at current rates until March 15. All annual premium life and endowment rates remain unchanged, and annual premium and single premium annuity rates are continued without change until further notice. The new single premium participating rates at quinquennial ages and illustrative dividends on single premium ten year endowment are:

Age	Life	Endowments			
		10-Yr.	15-Yr.	20-Yr.	20-Yr.
20.....	\$363.38	\$500.08	\$544.39	\$671.15	\$671.15
25.....	393.98	550.51	596.01	727.11	727.11
30.....	429.68	581.13	627.52	767.01	767.01
35.....	473.03	622.07	669.89	808.74	808.74
40.....	522.75	673.60	718.87	853.86	853.86
45.....	581.40	736.20	779.98	902.86	902.86
50.....	647.70	801.28	838.40	956.09	956.09
55.....	721.65	869.71	903.27	1,013.39	1,013.39
60.....	799.43	941.91	973.39	1,075.18	1,075.18

Age	Cash Value End Year—				
	2	3	5	8	10
20.....	\$740	\$773	\$839	\$933	\$1,000
25.....	740	773	839	933	1,000
30.....	741	773	839	933	1,000
35.....	741	774	840	933	1,000
40.....	742	775	840	933	1,000
45.....	744	776	841	933	1,000
50.....	747	779	842	934	1,000
55.....	753	783	845	934	1,000
60.....	761	790	849	934	1,000

## New York Life's Top Producers for Last Year

Benjamin Leven of Los Angeles, president of the New York Life Top Club, paid for 104 applications and over \$1,684,000 last year and therefore led the field force in volume. He has been with the company since July, 1932. H. G. Jones of Pipestone, Minn., paid for 308 applications for over \$334,000 insurance, leading all the rest in applications. He paid for 87 in December. He went with the company in September, 1928.

The other volume leaders are J. E. Baker, Jr., St. Louis; S. D. Einstein, Vineland, N. J.; Joel Hershman, Allentown, Pa.; Jack Mansfield, Bankers building branch, Chicago; I. S. Kibrick, Brockton, Mass.; Alexander Dumas, Seaboard branch, New York City; L. K. Sims, Los Angeles; Samuel Soforenko,

## Men Need Track on Which To Run, Kenagy Asserts

### SPEAKS IN SAN FRANCISCO

#### Mutual Benefit Superintendent of Agencies Addresses General Agents, Managers

SAN FRANCISCO, Feb. 11.—"We are today at a point where we must bring into our agency management a new kind of training technique, the essence of which is drill and constant practice under supervision" H. G. Kenagy, superintendent of agencies of the Mutual Benefit Life, said in a talk to members of the San Francisco General Agents & Managers Association at one of the largest meetings of the group held in recent years. "Our job," he said "is to so thoroughly drill our men in those things which they will encounter along the sales track that we can guarantee the results under fire. We must have a manual of arms and then have drill sergeants to see to it that the men master this manual so thoroughly that when they go into the field they will perform properly under fire."

Too often, he said, agents have been educated but not trained. The job of building an agency is more difficult when the men are doing the job in a variety of ways. "Let's perfect in our agencies," he urged, "a definite plan for selling life insurance and give men a track to run on." The general agent, he said, must be a master in the use of that plan and then by teaching it to his agents, he makes the job of agency building simple. The general agent gets the picture of the kind of man he wants—one who can learn to sell according to the plan, and who can tell the story to the kind of people who will be interested. He will be looking for the kind of men who can master the plan. A more definite story can be told to prospective agents. Training becomes more simple because it consists of teaching real skill in the use of the plan. Supervision consists of perfecting each man in the use of the plan. Thus, he said, are thrown out the complexities and difficulties that have made the job of building an agency such an uphill climb.

"I believe," he said, "we are at the point where we are going to lay more stress, more importance than ever before on the training factor in agency building because if we have solved the training problem reasonably well, the other problems are going to become less significant. We will never solve the recruiting problem until we have our present agents making a good living and when we reach that point, the kind of men we want will be seeking an opportunity to come in. We must learn how to put men across to real success."

"The objective of training is to guarantee an adequate number of skillful presentations to real prospects."

In the absence of V. T. Motschenbacher, Sun Life, chairman of the association, who is attending his company's convention, Paul Webber, Lincoln National Life, vice-chairman, presided. Mr. Kenagy was presented by C. W. Peterson, Phoenix Mutual Life.

Virgil Sands, assistant superintendent of agencies Mutual Benefit, who is accompanying Mr. Kenagy, was a guest.

#### Providence, R. I.

Other application leaders are C. W. Harmon, Houlton, Me.; Eugene Kendall, Norman, Okla.; W. E. Wadhams, Austin, Minn.; A. J. Norton, Chadron, Neb.; H. G. Mickle, Homer, Mich.; E. A. Hammerquist, Rapid City, S. D.; L. K. Sims, Los Angeles; Lawrence Kapdan, Clearing House branch, Chicago.

R. K. Brown has been promoted to assistant manager of the Atlanta ordinary office of the Prudential. Mr. Brown has been connected with the Prudential in Jacksonville, Fla., since 1932 as special agent.



## Wife of General Agent Writes 3½ Apps a Week

Thriving on a daily work schedule that would leave Mrs. Roosevelt exhausted, Mrs. Lillian L. Joseph leads the Home Life of New York's women agents countrywide, ranks number seven among all its representatives for 1936, averages around three and one-half cases a week and has a premium average of \$45 per \$1,000, the highest in the company. Mrs. Joseph is the wife of A. G. Joseph, general agent in New York City. Their son, F. M. Joseph, recently joined the agency after specializing in the business at New York University.

Although her husband is a general agent, going into the insurance business was entirely Mrs. Joseph's idea. She has operated as much on her own as any other agent in the office, and has never received anything in the way of leads or other special assistance. She has made her success entirely on her own.

### Nothing for Eight Weeks

So, for the first eight weeks she was working, Mrs. Joseph did not tell her husband anything about it. In fact, there was no reason to, for she not only failed to write any business in those eight weeks, but did not even get a nibble. Deeply convinced of the value of life insurance—it had been the sole support of her mother as a young widow—Mrs. Joseph tried to analyze herself and find out why, even with all her conviction and enthusiasm, she was not succeeding.

Lack of knowledge of life insurance and its sales technique seemed to her to be the answer. She had never had any business experience and this sort of work was entirely foreign. Education was the answer for Mrs. Joseph. Although she was the only woman in the New York University life sales training course, she did more business while taking the course than any of the entire class of 43. She believes this association with men agents helped her to get some of their viewpoints.

### Teaches Women to Save

"Teaching women how to save" is what Mrs. Joseph considers her job. She has written a respectable volume on men's lives and in fact, nearly all her really big cases have been on men, but they all came to her indirectly through a woman contact. For example, she closed a \$1,000 policy to a sales woman in an exclusive dress shop. This led to a policy for the head of the firm with a \$2,000 premium.

Women, she has found, are far more willing than men to recommend her and give her letters of introduction to other men and women, and they seem to be much more ready to do this for a woman agent than for a man. The confidence which she inspires in her clients is nothing short of amazing. One woman about to sail for South America on a cruise sold securities for \$50,000 and turned the money over to Mrs. Joseph to invest as she thought fit. Another woman client was so pleased with her services that she made Mrs. Joseph executrix under her will and left \$1,000 to Mrs. Joseph's son.

### Uses Indirect Selling

Like many other successful salesmen, Mrs. Joseph uses the indirect method of selling. When she is talking with people, the subject of insurance somehow comes up, although she manages so adroitly that it never appears that she is initiating it. The first thing the prospect knows, he, or usually she, is asking questions about some interesting phase of the business about which Mrs. Joseph has dropped a hint.

In making her selling talk, Mrs. Joseph never plans what she will say, but rather what the prospect's circumstances are, her age, and everything about her which might have a bearing on the type of insurance she should buy. The result



MRS. LILLIAN L. JOSEPH

of this extremely low pressure type of selling is that Mrs. Joseph's clients and prospects view her as an adviser rather

than some one who is trying to sell them something. She is careful not to overload her buyers with insurance beyond their capacity to pay which makes them even more willing to trust her advice when she does tell them to buy.

Service is another thing Mrs. Joseph stresses. She gives this just as unstintingly to the buyer of a \$1000 policy as to the largest client on her list. In fact, she is just as generous with the person who cannot buy at all. Many of her best leads have come from persons who had not yet bought from her. She takes a keen personal interest in her clients, many of whom have become close friends.

Seeing 15 to 18 people a day, Mrs. Joseph sets a heavy pace. Actually, this is far less irksome than it sounds because she enjoys the work. On a typical day she went to a lecture on art, which took an hour, saw four new people, sold two cases, collected 17 premiums. She collects all premiums personally as many of her policyholders do not have checking accounts.

### Lists Next Day's Calls

No addict to systems, Mrs. Joseph nevertheless always makes up her call list for the following day before going to bed. No matter if she and her husband have arrived home at 5 a. m. after a late dance, she makes up her list of

calls for the next day. In other respects, she lets system take care of itself. Information for the application she writes on whatever is handy. Probably the prize exhibit on this score was a blue dress tag on which she had scribbled the necessary information when insuring the proprietor of a dress shop.

Mrs. Joseph has worked on quite a few joint cases, usually with other women agents. One of these women agents later married the first applicant to whom she took Mrs. Joseph to sell.

### Believes Big Cases Lucky

Working mainly in the small policy field, Mrs. Joseph believes that her occasional big cases are all a matter of luck. However, when these bigger cases appear so consistently it seems that more than luck is responsible for her large production. Her business amounted to \$10,000 in premiums in 1936. This was exclusive of annuities. Mrs. Joseph has consistently won membership in the President's club and last year spoke at the convention in Quebec.

At the annual meeting of the Agency Association of the Louis F. Paret agency of the Provident Mutual Life in Philadelphia the following officers were elected: R. S. Davison, president; E. O. Wolcott, vice-president; Alice E. Roche, secretary, and J. H. Marvin, treasurer.

## THE FRANKLIN LIFE INSURANCE COMPANY

SPRINGFIELD, ILLINOIS

### ANNUAL STATEMENT JANUARY 1, 1937

ASSETS		LIABILITIES	
Cash .....	\$ 551,756.52	Legal Reserve .....	\$31,837,630.00
Bonds:		<small>Sinking Fund maintained according to law to take care of future policy obligations as they mature.</small>	
U.S., Direct or Guaranteed .....	\$2,308,906.16	Death Claims Due and Unpaid....	NONE
State .....	843,556.99	Claims Reported but Proofs not Complete .....	111,267.38
Municipal .....	1,342,767.42	Reserves for Claims Unreported...	27,500.00
Public Utility .....	2,127,147.23	<small>Claims which may have been incurred, but not reported, before December 31, 1936.</small>	
Railroad .....	656,599.53	Other Reserves and Special Funds	211,847.65
Industrial .....	740,619.48	Premiums and Interest Received in Advance .....	236,670.81
Fed. Land Bank....	76,186.89	Reserve for Taxes Payable in 1937	160,733.45
First Mortgage Loans:		Commissions, Medical and Other Expenses Due and Accrued....	23,782.71
Farm .....	\$6,251,004.21	Total Liabilities .....	\$32,609,432.00
City .....	3,826,704.47	Capital and Surplus.....	1,225,480.52
Policy Loans .....	10,077,708.68		
Real Estate (including Home Office) .....	7,051,964.13		
Collateral Loans .....	6,287,887.23		
Accrued Interest and Rents.....	69,200.00		
Premiums Due and Deferred.....	684,859.19		
Covered by Legal Reserve.	1,015,753.07		
Total .....	\$33,834,912.52	Total .....	\$33,834,912.52

INSURANCE IN FORCE \$172,016,295

The Franklin has achieved a leader's place in the ranks of the conservative legal reserve life companies which have distinguished themselves by giving the highest type of service to policyholders and beneficiaries.

**PAID TO POLICYHOLDERS AND BENEFICIARIES  
SINCE ORGANIZATION \$65,181,960.00**

ORGANIZED 1884



More Than Half a Century  
Of Service

## NOTABLE INCREASES ARE BEING MADE

(CONTINUED FROM PAGE 3)

ernment bonds are now \$267,668,754, municipal bonds \$56,714,710, Canadian bonds \$9,402,107, railroad and public utilities \$417,596,990. Its assets increased \$69,239,255.

### SECURITY MUTUAL, N. Y.

The Security Mutual Life of Binghamton, N. Y., made a substantial increase in both assets and surplus during 1936, President Russell predicts a banner year for all life companies and expressed the opinion that the federal social security act would tend to increase the sales of life insurance. There is an increase of nearly \$1,000,000 in assets to \$21,799,215. The amount of new business paid for was over \$12,000,000.

The president's report also calls attention to the problem of investing funds at prevailing low interest rates and predicted that these low rates would probably prevail for at least a year. Mr. Russell emphasized the fact that many legislatures are considering further increases in taxes on premiums and expressed the hope that all policyholders would exert every influence possible with legislators to stop further inroads upon their premium payments.

### GREAT-WEST LIFE

President Allan of the Great-West Life, in his annual report, shows that of the assets 47.7 percent are in bonds and debentures, 18.2 in city mortgages and properties, 14.9 in farm mortgages and properties, 17.4 in policy loans, 1.2 in cash.

The new business amounted to \$49,706,207 and the amount in force is now \$575,844,591. More than \$1,000,000 was repaid in reduction of policy loans. There has been a notable decrease in demand for policy loans and surrenders. The company carries a contingency reserve of \$3,000,000 and its net surplus above capital of \$1,000,000 is \$2,438,935. Its assets are now \$150,005,674. Its business in force is \$575,844,591, total income \$27,301,331, paid policyholders \$15,147,510. Its balance over disbursements was \$8,278,293.

### COLUMBUS MUTUAL LIFE

The Columbus Mutual Life shows assets \$27,238,633, of which \$2,379,080 are federal bonds, \$5,689,695 other public bonds, \$9,128,565 mortgages, \$4,430,653 real estate, \$3,913,053 policy loans, \$819,049 cash. Its capital is \$500,000, investment fluctuation fund \$150,000, dividend surplus \$293,600, net surplus \$1,628,953, insurance in force \$127,631,863. Total cash and bonds represent 32 percent of the assets. The mortgage loans are 33 percent. It paid policyholders last year \$2,266,000. Its income was \$6,379,526, excess over disbursements \$2,000,000.

### WASHINGTON NATIONAL

The Washington National of Chicago, shows assets \$5,219,799. Of this amount 11.14 is in cash, 22.76 federal securities, 12.18 FHA mortgage loans, 19.31 other public bonds, 7.34 railroad, 5.73 public utility, 1.03 policy loans, 9.65 mortgages. Its capital is \$1,000,000 and net surplus \$1,101,169. Less than three-fifths of 1 percent of the assets are invested in the obligations of any one corporation. Its assets increased \$1,129,179, premiums \$862,817, insurance in force \$7,878,566. About 95 percent of its mortgages were made during the last two years on the basis of the low appraisals.

### LINCOLN NATIONAL LIFE

The Lincoln National Life shows assets \$130,757,669 of which \$2,585,505 is cash, \$37,924,899 bonds and stocks. The company has \$11,310,688 in U. S. and Canadian bonds, \$4,299,286 in other public bonds, \$7,494,051 in railroad, \$9,708,659 in public utility, \$4,090,472 in preferred stocks. Its mortgage loans are \$25,263,830 on city properties and \$3,-

933,883 on farms. Its policy loans are \$22,423,553. Its trusted assets for the benefit of policyholders and companies it has reinsured are \$12,036,252. Its real estate is \$15,876,388. Its special reserves amount to \$2,913,927, capital \$2,500,000, net surplus \$3,500,000, contingency reserve \$1,082,274. Its insurance in force is \$901,013,000, increase \$21,613,000. Its assets increased \$9,249,000 and surplus \$306,000. Its lapse ratio has continued to improve. New paid for business was about \$130,000,000.

### BUSINESS MEN'S ASSURANCE

The Business Men's Assurance increased its life insurance in force by \$3,529,947 to \$104,973,517. The loss ratio under accident and health policies continued to improve last year. The ratio on a paid basis declined from 69 percent in 1935 to 55.5 percent. There is an increase in accident and health premiums. The increase in assets was \$1,681,484. It paid policyholders last year \$2,057,854. The average gross returns on all investments was 5.21 percent against 5.31 the preceding year, with a net yield of 3.97 compared with 4.02 percent. The contingency reserves increased by \$57,900 to \$210,000 and the net surplus, excluding capital by \$81,675 to \$637,099. Speaking of the outlook for this year President W. T. Grant says:

"The immediate problem confronting the management of life companies is that of finding suitable investments eligible under the rigid insurance laws and at the same time return a net yield equal to that guaranteed under policy reserves. There are evidences that we are approaching—if we have not actually reached—the bottom as affecting interest returns. Our stockholders and policy owners alike should bear in mind the fact that lower interest rates mean decreased income in some form or other for more than 65,000,000 policyowners and beneficiaries; for more than 40,000,000 savings bank depositors and for 10,000,000 or more shareowners in sav-

ings and loans associations. All told, more than 100,000,000 individuals are adversely affected as far as interest on savings is concerned, by any arbitrary or unnatural means of forcing down the value of accumulated savings or capital."

### PHILADELPHIA LIFE

The Philadelphia Life new statement shows new business \$5,001,281, increase 22.8 percent. It increased its business in force \$461,513. Its premium income was \$1,511,642 and total income \$2,290,762. The excess of income was \$280,695. The assets are now \$12,984,133, increase \$369,574. The contingency reserve was increased \$75,000 and the net surplus \$13,108.

### DOMINION LIFE

The Dominion Life of Waterloo, Can., in its new annual statement, shows assets \$33,758,945, increase \$2,660,075; insurance in force \$164,019,813, increase \$8,740,784; new business \$23,496,796; paid policyholders \$2,960,511; income \$7,772,710; excess over disbursements \$3,134,192.

### RESERVE LOAN LIFE

The Reserve Loan Life of Indianapolis shows a substantial improvement in every item. The assets were increased by \$154,875 and \$13,622 gain was shown in surplus. The insurance in force has been increased \$1,138,268. The mortality experience was 48.27 percent. The interest earnings on investments showed a favorable increase and a number of changes in the investment portfolio gives an excellent outlook for further gains in 1937. Particular interest is shown in the persistency record of business written the past few years, which steadily improved in 1936, as indicated by the increase in the renewal premium income.

### BANKERS LIFE, NEBRASKA

This is the 50th anniversary year of the Bankers Life of Lincoln, Neb. It has more old line insurance in force in Nebraska than any other company. Its total insurance in force in all its field

is \$124,314,142. Its new business in 1936 was \$13,697,152. It paid policyholders \$4,100,767. Its assets are \$41,184,465, capital \$500,000 and net surplus \$3,572,699. It puts up a contingency reserve for participating business written since Jan. 1, 1915, amounting to \$1,789,565. Its dividend reserve is \$6,069,800. The mortality ratio was 40.05. The percentage of lapse and surrender to mean insurance was 6.99. Since 1887 it has paid over \$51,400,000 on policies that it has issued. H. S. Wilson, the president, is the son of the founder of the company. The Bankers Life writes both participating and non-participating.

### FIDELITY MUTUAL

The Fidelity Mutual Life assets are \$112,438,000, increase \$5,791,000. The insurance in force is \$358,464,000, gain \$1,744,000. The general surplus is \$7,427,000. Its new business was \$27,081,000. The new business the last six months of the year showed an increase of 18 percent over the similar period a year ago. It paid \$10,673,000 to policyholders. The mortality ratio was 58.5 percent.

### PACIFIC NATIONAL LIFE

The Pacific National Life of Salt Lake shows assets \$1,562,972, of which 32.4 percent are in mortgage loans, 3.1 real estate, 6.4 policy loans, 36.6 bonds, 10.5 cash. Its capital is \$658,750 and net surplus \$211,353. The average premium was \$29.64 and the mortality was 47.4 percent and lapse ratio was 12.5 percent. Insurance in force is \$10,772,080, increase 34.79. The assets increased 9.55 percent. The average size policy was \$1,627.

### PILOT LIFE

The Pilot Life of Greensboro, N. C., shows insurance in force \$115,851,076, gain \$10,362,234 or 10 percent. The assets are \$16,447,406, gain \$1,209,765. The surplus and contingency reserve were substantially increased. Of over \$6,000,000 in mortgage loans only \$28,000 were in process of foreclosure. Julian Price, president of the Jefferson Standard Life, presided over the stockholders' meeting, he being a director of the Pilot. The company has paid policyholders since organization \$24,743,391. It now has 156,411 policyholders.

### ATLANTIC LIFE

The Atlantic Life reports that for the second consecutive year since the depression insurance in force has shown an increase. The gain in 1936 was \$1,677,234 compared with \$1,510,242 the preceding year. Total insurance is \$135,882,354. Assets are \$26,843,951, increase \$1,141,574. Substantial gains were registered in the holdings of high grade bonds which amount to \$6,918,484 and constitute 25.77 per cent of assets. The bond account increased by \$1,503,483. Their market value exceeds by \$349,933 the value at which they are carried in the statement. An indication of the improvement in the real estate market in 1936 is recorded in the gain in real estate sold under contract of sale, this account having increased from \$747,904 at the end of 1935 to \$1,411,319 Dec. 31, 1936, a gain of \$663,415. The mortgage loans showed an increase. Paid business for January showed an increase of 81 percent over last year. The offer recently submitted by the Bankers National Investing Corporation of Wilmington, Del., to purchase the stock of Atlantic has resulted in the acquisition of approximately 90 percent of the outstanding stock.

### OREGON MUTUAL LIFE

The Oregon Mutual Life assets are \$15,205,430, increase \$1,172,361. Its insurance in force is \$55,825,114, increase \$3,087,653. Its new business was \$7,693,503, increase 21 percent. Its surplus increased \$1,085,238. The present dividend scale will be continued as will the interest rate of 4 percent on funds left

## Provident L. & A. Promotions



SAM E. MILES

Sam E. Miles has been promoted to agency manager of the life department, Provident Life & Accident of Chattanooga. In the capacity of home office supervisor, he joined the Provident early in 1935, following many years of experience in agency supervisory work for another large southern life company. He assumes his new duties at a time when the Provident has reached an all-time high of life insurance in force, now close to the \$100,000,000 mark, with a 25 percent gain for 1936 being over \$19,400,-



LLEWELLYN CHAPMAN

000, officials assert in pointing out progress made during the year.

In his former capacity as home office supervisor, Mr. Miles had a large share in the development of life agency territory where much of the gains were registered, it is pointed out.

Promotion of Llewellyn Chapman, former agency secretary, is likewise announced. Mr. Chapman, a native of Chattanooga and a member of one of its oldest families, is widely known, and has been with the Provident since 1925.



with the company. Its mortality ratio was 41 percent and net interest earnings 4.41 percent. It paid policyholders \$1,173,099. It has bonds \$8,746,581. Its mortgage loans are \$2,224,395. Its real estate item is \$204,500 including home office building valued at \$125,000.

#### YEOMEN MUTUAL LIFE

Substantial gains both in assets and reserves are announced by the Yeomen Mutual Life. The assets are \$25,591,111 and surplus of \$1,382,405. Over 60 percent of the assets are in cash, U. S. government and municipal bonds. Two percent are in mortgage loans, and \$5,000,000 in policy loans.

#### OCCIDENTAL LIFE, CAL.

The Occidental Life of California increased 35.75 percent in new insurance. Insurance in force increased over \$82,000,000, gaining from \$210,477,386 at the close of 1935 to \$292,768,483 on Dec. 31, 1936. Policyholders now number more than 169,000 as compared with 104,000 at the beginning of 1936. Assets gained \$10,704,281 during the year, now standing at \$37,371,107. Despite acquisitions and heavy writing of new business, the company increased its surplus and contingent funds. Policyholders' surplus advanced to \$3,082,678.21, of which fully paid capital of \$1,000,000 is unchanged.

#### GENERAL AMERICAN LIFE

The General American Life report for 1936 shows a substantial improvement in its bond portfolio, the actual market value of bonds held being \$2,500,000 in excess of the book value of \$27,169,868. The improved and efficient methods applied in operating the farm lands and city real estate in the last few years is also reflected in the operations for 1936, the net earnings from that source being 4.27 percent compared with 0.47 percent in 1935. The average net yield on all ledger assets (including cash balances) was 4.6 percent compared with 3.71 percent in 1935. The company paid \$9,598,815 to policyholders. President Head reports that 92.3 percent of the ordinary business in the old Missouri State Life account at the beginning of 1936 was still in effect at the close of the year. In this connection he commented: "This demonstrates the appreciation of our insured policyholders of the advantage of continuing their insurance in force, so as to participate in further lien reductions and in the benefits which will subsequently accrue from policyholder ownership of the company."

It has \$123,046,148 assets, including \$34,075,175 in cash and bonds, \$14,952,153 mortgages, \$19,765,474.99 in real estate, including the home office building, \$5,123,124 in stocks. There is \$1,065,016 policyholders' dividend reserve, \$1,657,625 contingency reserve under Missouri State Life purchase agreement, \$500,000 capital and guaranty fund, and \$1,915,745 free surplus.

#### NATIONAL LIFE & ACCIDENT

The National Life & Accident of Nashville has assets \$48,145,581, increase \$5,374,052, contingent reserve \$1,763,860, reserve for epidemics \$1,000,000, investment fluctuation reserve \$900,000, capital and surplus \$6,748,063, increase \$315,507. Its life insurance in force is \$536,728,355, increase \$80,734,482. It paid policyholders last year \$6,345,458. It has in its assets bonds \$25,044,585, real estate loans \$11,335,696, cash \$2,233,965, real estate \$4,369,960 including \$1,192,934 home office, policy loans \$2,629,598.

#### NATIONAL LIFE, VERMONT

The National Life of Vermont has bonds of \$75,505,215 and of this amount only \$51,000 are in default. It does not own any railroad bonds. It has invested largely in federal bonds, they being \$23,392,282, federal and \$5,920,543, federal intermediate credit bank debentures \$3,348,351, industrial and miscellaneous bonds \$3,228,956, other public bonds \$16,010,460, public utility \$20,729,731,

Canada \$2,247,566, foreign governments, \$627,325. In recent times it is drawn quite strongly toward municipals. Public utility and other preferred stocks are \$5,768,321, city mortgages \$36,567,874, farm \$12,739,093, policy loans \$29,135,169, real estate \$19,419,272, cash \$3,026,041, making assets \$187,774,530. The dividend surplus is \$3,609,380, contingency reserve \$2,000,000 and net surplus \$9,166,249. Its assets increased \$8,766,706 and its new business increased 19.87 percent. The insurance in force increased \$9,756,490. The mortality was 5.99 percent. The net interest earned on mean invested assets was 3.83 percent as against 3.53 percent a year ago. The favorable increase in net interest rate earned was due to three causes: First, a reduction of the abnormal cash balance of \$13,338,185 to \$3,026,041 through investment. Second, an increase in earnings on real estate, and third, a large investment in residence first mortgages insured by the FHA. Results of the year's operations permit a continuance of the dividend scale.

E. S. Brigham, the new president, has had much to do with shaping the financial policy in recent years. F. A. Howland who becomes chairman of the board will continue to be a big factor in the management, he being chairman of the executive committee. The National Life is operated largely on the commit-

tee plan instead of the individual method.

#### OHIO NATIONAL LIFE

The Ohio National Life assets are \$41,204,058, of which 1.23 percent is cash, 37.58 bonds, 26.72 mortgages, 19.4 policy loans, 12.31 real estate including home office. Its capital is \$828,580; it has a special reserve for fluctuation and other contingencies of \$750,284. The unassigned surplus is \$1,000,000. The insurance in force is \$177,168,991. It paid policyholders last year \$3,100,031.

#### Investigate Receivership Action

ST. LOUIS, Feb. 11.—The state advisory bar committee and the committee of the eighth (St. Louis) judicial circuit have opened an investigation into the activities of attorneys in connection with receivership suits and other legal actions against Missouri insurance companies. Ed Mays, president of the old Continental Life of Missouri, was the first witness. Further hearings will be held in St. Louis and perhaps Kansas City in the near future.

There has been considerable criticism concerning some of the litigation launched against the old Missouri State Life and other Missouri companies. The prolonged hearing involving the com-

paratively small Missouri National Life has also been the subject of adverse criticism of the legal profession.

#### Discuss Commissioners' Program

PHILADELPHIA, February 11.—Leading insurance men and company officials of Philadelphia will meet this week with Commissioner O. B. Hunt at a dinner to discuss and arrange an entertainment program for the annual convention of the National Association of Insurance Commissioners which will be held in Philadelphia the latter part of June.

Insurance men are joining with Mr. Hunt and doing everything possible to have the program an outstanding one.

#### A. L. C. Executives Meet

The executive committee of the American Life Convention held an all-day session in Chicago this week, T. A. Phillips, president of the A. L. C., who is president of the Minnesota Mutual Life, St. Paul, being in attendance. Only two members of the committee were absent, and other company officials sat in the meeting, Col. C. B. Robbins, manager and general counsel, also participating. A number of important matters were discussed.

## FACTS and FIGURES

**THAT SPEAK** Concerning, INDIANAPOLIS LIFE INSURANCE COMPANY, A Legal Reserve, strictly Mutual Company, organized in 1905.

### 1936 A GOOD YEAR

#### INSURANCE IN FORCE

Increased in 1936.....\$ 5,010,871.00

Making total Insurance in force (paid basis)..... 100,767,129.00

#### ASSETS INCREASED

\*Making total Assets..... 18,649,487.22

#### MORTALITY CONTINUED VERY FAVORABLE, only

43.3% of the expected.

TOTAL INCOME IN 1936..... 4,327,811.46

TOTAL DISBURSEMENTS..... 2,776,626.68

#### SURPLUS INCREASED TO LARGEST AMOUNT IN COMPANY'S HISTORY.

TOTAL SURPLUS, December 31, 1936..... 1,228,580.25

\*This includes amortized value of all bonds. Market value of total bond account, Dec. 31, 1936, was \$193,000 in excess of value at which they are carried in statement.

#### AN OUTSTANDING SEVEN YEAR RECORD

##### Summary of Gains Made From 1929 to 1937

ASSETS INCREASED.....78.4%		SURPLUS INCREASE.....89.8%	
Assets, December 31, 1929	\$10,455,621.25	Surplus, December 31, 1929	\$ 647,030.55
Assets, December 31, 1936	18,649,487.22	Surplus, December 31, 1936	1,228,580.25
Increase	8,193,865.97	Increase	581,549.70

In addition to these gains, the Company paid \$11,314,144.58 to Policyholders and Beneficiaries during these years.

#### AGENCY OPPORTUNITIES

In parts of Indiana, Illinois, Ohio, Texas, Iowa, Michigan, Minnesota, California, North Carolina, Florida

EDWARD B. RAUB  
President

A. H. KAHLER  
Supt. of Agents

# INDIANAPOLIS LIFE INSURANCE COMPANY

INDIANAPOLIS, INDIANA

## EDITORIAL COMMENT

### Example of Fiduciary Responsibility

As a good example of trusteeship of management to policyholders in life insurance, we commend the report of President G. W. ALLAN of the GREAT WEST LIFE as revealing a high sense of fidelity in stewardship. Back of every financial statement stands the management. That may be rather intangible, in a way, but so far as we are concerned what the management thinks of life insurance and its attitude toward its own company is most important. President ALLAN said in that connection:

"The directors and management are fully seized of their responsibility as stewards and trustees of the policyholders. Life insurance is the first line of defense against financial adversity, and in many cases represents the only savings of a lifetime.

"There are approximately 100,000,000 people on this continent protected, either as policyholders or as beneficiaries, by life insurance and the vast majority of them are people of modest means. They belong chiefly to the smaller income group. It should not be overlooked that the principal financial service performed by life insurance companies is the collection, investment, conservation, and redistribution of the funds entrusted to them in small

amounts by thousands of individual policyholders, and we thus see life insurance as a vast cooperative enterprise.

"The millions of assets shown in the balance sheets of life companies do not belong to the companies; they belong almost entirely to the policyholders and dependents of deceased policyholders—mostly widows and children—who have either a vested or a contingent equity in these funds. The average equity of each policyholder is not more than six hundred dollars.

"The title to the securities representing the assets is in the name of the company for convenience in carrying out the purposes for which the deposits have been made by policyholders. Those purposes are: first, the assurance of security; and second, to earn a return upon the investment as high as is compatible with complete security.

"In every attempt to resist what it deems to be encroachments upon the rights of its policyholders; in every effort to collect money that is due it; in every investment that it makes, and in all its day-to-day transactions, the interests of its policyholders are uppermost in the minds of life insurance management."

### A Realistic Approach

THE PROVIDENT MUTUAL LIFE's plan, as recently announced by its new agency vice-president, WILLARD K. WISE, of getting as many agents as possible to produce at least \$100,000 this year is a realistic approach to the ever-present problem of seeing that enough agents make enough money to live on. It faces the fact, frequently glossed over in the insurance business, that there are many life insurance agents who do not write \$100,000 a year and that if a man does not write at least this amount it is going to be difficult to keep him in the business for very long.

Though \$100,000 may seem like a discouragingly low mark to shoot at, nevertheless it is obvious that the marginal agent must write \$100,000 before he can be expected to get very excited about producing \$150,000 or \$200,000 a year. The most serious problem right now is

getting the men below the \$100,000 rank over that hurdle, considerably more important than getting the next upper stratum into the \$150,000 to \$200,000 class.

By concentrating on getting the greatest possible number of agents over the \$100,000 mark, a considerable amount of light should be thrown on the qualifications of these marginal agents. Undoubtedly all it needs is the right kind of motivation to get quite a few of them to producing at least that much a year. It should also make it clear beyond any doubt that those who cannot make the grade, when it is no steeper than \$100,000 a year, are entirely unfitted for the business of selling life insurance and only handicapping themselves and wasting the time of their general agents and associates by attempting to continue in it.

### Family Protection, Too

So much has been said about the social security act as a stimulant to buying old age retirement policies that its equal value in motivating the purchase of family protection insurance, mentioned recently by

President M. A. LINTON of the PROVIDENT MUTUAL LIFE, was in danger of being overlooked. The monthly income principle is being constantly promoted by the government's social security activi-

ties. Little is said about the cash value. When a lump sum is mentioned it is considered as the commuted value of monthly payments, instead of the payments being the result of a certain amount of capital. As Mr. LINTON pointed out, this monthly income consciousness, spread out among the prospective buyers of life insurance, should be an excellent tool in the hands of life insurance agents, for comparatively few men have enough life insurance to produce very much of a monthly income.

The social security act suggests another angle for the sale of life insurance, along the lines suggested to New York City agents recently by Vice-president MALCOLM ADAM of the PENN MUTUAL LIFE. Mr. ADAM's principle for prospecting is

to seek those who have a vested interest living which they should protect with life insurance, for example, a judge with a life tenure position, who has only to live (and of course behave himself) to receive a fairly large aggregate income.

Under the social security act, every employe or executive under it has a vested interest in living to age 65 and beyond to receive the income for which he and his employer have paid. True, a death benefit is paid equivalent to the reserve fund built up but it is not life insurance. Everyone covered by the act needs life insurance to assure his family that even if the breadwinner does not live to 65 and beyond to enjoy his pension his family will be taken care of just the same.

## PERSONAL SIDE OF BUSINESS

In connection with its golden jubilee celebration, the Provident Life & Accident held a contest in which all coins made in 1887, year of the company's organization, were solicited. In all, 335 coins were received from 190 people. There was one \$5 gold piece. These coins were arranged in an attractive exhibit which is being displayed in the banks of Chattanooga. A prize of \$18.87 was awarded E. R. Lawless, Chattanooga, for turning in the best preserved coin—a dime.

M. M. Thompson of Cedar Rapids, Ia., working under M. L. Seltzer, Iowa general agent in Des Moines, led the field force of the Aetna Life in amount of accident premiums written in 1936. He has been near the top of the list for several years.

H. S. Stout, general agent of the John Hancock at Dayton, O., and an outstanding personal producer, is the proud possessor of a cancellation which is the envy of stamp collectors—the only known Sigma Chi cancellation, which was used in Greencastle, Ind. about 1871. Mr. Stout, who is an enthusiastic Sigma Chi himself, has been executive secretary of the alumni association of Mu Chapter at Denison University since its incorporation 16 years ago, and for the past five years has annually awarded a Sigma Chi life membership to a Mu sophomore who has proved to be the outstanding freshman of the previous year.

W. B. Stark, general agent Home Life, Syracuse, N. Y., who is president of the General Agents Association of that company, has been visiting Home Life general agents in the larger metropolitan centers to further their interest in the campaign in honor of the completion of 10 years of service by President James A. Fulton.

Flamen Ball of Cleveland, who has retired as supervisor of the great middle department of the New York Life, was with the company 42 years. He entered its service as an agent at Cleveland in 1894. Later he was appointed branch office clerk in Chicago, then became cashier at Toledo. In December, 1900, he was made agency director at

Toledo and later was transferred to serve in a similar capacity at the Western Reserve branch in Cleveland. Then he was transferred to the Cuyahoga branch, which later became the Cleveland branch. In January, 1923, he was appointed supervisor, remaining in active charge of the Cleveland branch and assuming general supervision of the Euclid office.

The condition of C. N. Clarke, New York Life, president Syracuse (N. Y.) Life Underwriters Association, who recently underwent a very serious operation, is reported by his physicians to be satisfactory. He is expected to leave the hospital within a few days, but probably will not be able to get actively back into the harness for some time.

E. E. Cammack, vice-president and actuary of the Aetna Life, has been elected a director of the Standard Fire of Hartford, one of the Aetna Life group.

Recently when Grant Taggart, Cowley, Wyo., leading producer California-Western States Life and chairman Million Dollar Round Table, visited southern California he stopped over at San Diego. While in the border town he was royally entertained and was presented with a deputy sheriff's gold badge by the sheriff of San Diego county.

W. B. Harding, Penn Mutual Life, Texarkana, Ark., narrowly escaped death when his automobile crashed into a bridge abutment and caught fire. He received a deep scalp wound, fractured left knee cap, gashed left leg and possible internal injuries.

A. M. Embry, head of the Kansas City agency of the Equitable of New York and Mrs. Embry are spending the next five weeks in Hot Springs, Ark. During Mr. Embry's absence, the agency is conducting its annual five-week campaign in honor of his birthday.

J. W. Dowling, general agent at Utica, N. Y., of the John Hancock Mutual Life, was honored at a recent dinner dance in commemoration of his 37 years with the company. Last year was the district's

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biggest year with \$2,000,000 volume. Robert Pelham, superintendent of agencies, and Edwin Winslow, field supervisor, represented the home office. Anthony Peters, assistant manager at Utica, acted as general chairman.

Miss Marjorie E. Pearson, daughter of Sam C. Pearson, general agent for the Northwestern Mutual, and Charles W. Scott, son of Charles L. Scott, general agent for the Massachusetts Mutual, were married in Kansas City. Young Scott has been associated with his father's general agency for two years.

Charles E. Townsend, 71, who resigned last year as general agent of the Equitable Life of New York in Boston after 40 years' service, died at his home

in Brookline. For many years he was one of the outstanding life general agents in Boston and had served as president of the Boston Life Underwriters Association.

R. M. Malpas, well known life insurance man, who spends the summer at his home near Lebanon, Ind., has gone to his Los Angeles place at 1360 North Crescent Heights. He keeps in close touch with the insurance people.

Frank W. Smith, general agent of the Reliance Life at Fresno, Cal., for 25 years, died as the result of an attack of "flu." Although 70 years of age at the time of his death, Mr. Smith was still active in the life insurance business and had just completed 52 weeks of consecutive production.

sorbed by the National Aid. Lloyd Judd, vice-president of the National Aid, has gone to Georgetown to assume the presidency; B. C. Carter of Austin, Tex., is vice-president and E. Morgan, formerly of Oklahoma City, secretary.

#### Elected to New England Board

T. J. Coolidge has been elected to the board of the New England Mutual. He succeeds the late Gordon Abbott. Mr. Coolidge, who is chairman of the Old Colony Trust Company of Boston, was undersecretary of the United States Treasury, 1934-1936.

#### Over 400,000 Prudential Claims

In 1936 the Prudential paid over 400,000 death claims and endowments totaling more than \$176,000,000. On ordinary policies, policyholders received more than \$107,000,000, and more than \$69,000,000 on industrial policies. The company is remitting income checks to

#### Tells Remarkable Record of Canadian Companies

President G. W. Allan of the Great-West Life of Winnipeg in his annual report calls attention to the fact that in spite of depressions, wars and epidemics no Canadian life company has ever failed to pay its obligations to its policyholders in full. That is a remarkable record perhaps not found in any other business.

beneficiaries of ordinary policies for a total of \$363,371 per month. Exactly 16,286 of these 12 months' claims, amounting to \$6,596,031 were on policies less than one year in force. Since the company started business some 62 years ago it has paid more than 7,000,000 death claims.

## NEWS OF THE COMPANIES

### Sun Life Shows Big Gains

**Dividends to Policyholders to Be Increased—Canadian and U. S. Managers Are at Home Office**

MONTREAL, Feb. 11.—The 1936 financial statement of the Sun Life, awaited with unusual interest this year, was released by President Arthur B. Wood who presided at the 66th annual meeting. This was attended by general agents and managers from Canada and the United States who are remaining in Montreal for the balance of the week in managerial conference. Announcement was made that in 1937 dividends to policyholders are to be increased.

The statement shows an increase in assets during the year of over \$70,000,000, which now exceed \$777,000,000. Assets have increased by over \$209,000,000 since 1929. Insurance in force shows an increase over 1935 while new business was over \$219,000,000.

The securities are carried at book values which in the aggregate are lower than market values. The amount of government and other bonds is over \$310,000,000, an increase of more than \$90,000,000 since 1935. Investment income shows a substantial increase and profits from redemption or sale of ledger assets during the year exceeded \$10,000,000. Total income was over \$164,000,000. Excess of income over disbursements was more than \$60,000,000. The average rate of interest earned shows an increase.

Special contingency reserves and surplus total over \$37,000,000.

A dividend to stockholders of \$3.75 was voted. This is the first such dividend since July 1, 1932.

The 90 managers of Canadian and United States divisions on hand were entertained at a company dinner after the annual meeting and addressed by President Wood.

This is the first time that all district managers have ever assembled at the home office together. In some past years there had been conferences between managers of various districts.

Morning meetings were for Canadian divisions only but all joined for luncheons and afternoon sessions. Interesting papers were presented by various department heads and discussions followed at addresses. C. E. Reid, in charge of sales promotion, issued a review of 1936 results and discussed "Old Organization Problems." George W. Bourke, actuary, read a paper on "Actuarial Topics."

Other papers were by J. B. Mabon, chief underwriter, on "New Agents—Recruiting, Financing and Development;" George H. Harris of the agency department on "Sales Angles of the Annual Statement" and W. S. Penny, director of agencies, on "Some Agency Fundamentals."

C. W. Timberlake, formerly with the W. A. Lang general agency, St. Paul, has been appointed manager of the life insurance department of Joyce Insurance.

### Comments on Year's Results

**President Arthur Hall of the Lincoln National Makes Observations on Some High Lights**

At the annual meeting of the Lincoln National Life, President Hall reviewed its organization and administration, sales plans, and investment procedure. He called special attention to the increased interest earnings on investments during 1936. The net return of interest earned increased .4 of 1 percent for the year. The mortality was favorable, and home office expenses were less than in 1935, he said.

Referring to surplus, Mr. Hall said: "The Lincoln National Life has always maintained a rather large surplus. We are pleased to report that in the year 1936, \$305,000 was added to our contingency reserve, which is the surplus account. It is the objective of the management to make further additions to surplus from year to year so that it will be available to protect the policyowners and stockholders against the contingency of unfavorable mortality and investment fluctuations. The new revenue act specifically exempts undistributed surplus of a life company from taxation."

#### Expense Trend Improves

On expenses, Mr. Hall said: "There was a decidedly favorable trend in expenses in 1936. Home office expenses were less than in 1935."

Mr. Hall commented on the new social security act as follows: "Many feared that the operation of the social security act would hurt the insurance companies. The same fear existed when our government instituted war risk insurance some years ago. This, however, was a great boom to life insurance as it made everyone insurance minded. Life insurance men feel that the social security act will have the same effect. This fact, coupled with greater prosperity, should result in at least a mild boom in the life insurance business."

#### Converted to Stock Company

Conversion of the Pan-National Insurance Association, formerly operating as a fraternal, into the Pan-National Life of Oklahoma City, a stock company, has been completed. The new organization is capitalized at \$50,000, with \$10,000 paid, and the remaining \$40,000 subscribed. Officers of the new company have not been announced. J. G. Justice was president previous to reorganization; J. M. Gilchrist, secretary-treasurer, and J. I. Gibson, director and general counsel.

#### Buys Texas Company

L. H. Houghton, secretary, announces the purchase by the National Aid Life of Oklahoma City of the Williamson County Mutual of Georgetown, Tex., which has \$4,500,000 business in force. This is the 48th Texas company ab-



## YEARS ARE SWIFT

"They are children now," this alert salesman reminds the young father of these romping tots, "but they will be man and woman some day."

And by explaining Prudential Educational Endowment policies, he shows this doting dad how he can guarantee proper training of his boy and girl.



## The Prudential

Insurance Company of America

EDWARD D. DUFFIELD, President

Home Office - Newark, New Jersey

## LIFE INSURANCE COMPANY of VIRGINIA

Home Office: RICHMOND  
BRADFORD H. WALKER, President

America's returning prosperity is gratifyingly attested by this Company's operations in 1936. The 66th annual accounting of our stewardship reveals increases all along the line, particularly in those departments that have so consistently reflected the Company's unusual stability. Here are the highlights:

Assets  
\$88,905,771.96  
(Increase over 1935: \$5,763,454.46)  
Capital, Surplus, and Special Contingency Reserves  
\$15,945,390.20  
(Increase over 1935: \$488,270.48)  
Insurance in Force  
\$440,095,757.00  
(Increase over 1935: \$23,158,155.00)  
Total Payments under Policy Contracts  
Since Organization  
\$109,654,385.43

Desirable  
Agency  
Territory  
Available

### In a Few Words:-

"Large enough to give you the most complete Life Insurance service, small enough to give you personal co-operation, old enough to be seasoned and financially secure, young enough to be aggressive and field-minded, with a complete program of sales helps, and above all, so friendly that it's no wonder I look back with genuine pleasure on the 25 years of service I have completed with the Central Life."

So wrote one of the Central Life veterans in a letter of appreciation for the award of a 25 Year Service Pin.

Organized Thirty Years Ago  
"A Field Man's Company"

## Central Life Ins. Co. of Illinois

Alfred MacArthur, President

720 North Michigan Avenue . . . . . Chicago

## AMONG COMPANY MEN

### Is Going to the Home Office

**W. H. Gaither Becomes Field Service Manager at the Mutual Benefit Life Headquarters**

W. H. Gaither, formerly district agent of the Mutual Benefit Life at Elizabeth City, N. C., has been made a member of the agency department staff. He will be associated with F. D.



WILLIAM H. GAITHER

Haselton and C. J. Travis in field service and sales development work.

Since his entrance into life insurance in 1930, Mr. Gaither has represented the Mutual Benefit, first as agent and later as district agent at Elizabeth City. Specializing in programming and business insurance sales, he has established a substantial record both as a producer and as district agent. He attended the Life Insurance Sales Research Bureau's School of Agency Management at Chicago in 1936.

Born in 1902 in Hertford, N. C., Mr. Gaither was educated in Hertford public schools, spent a year in Porter Military Academy and in 1923 received his A. B. from the University of North Carolina. Following graduation he entered the retail automobile and automobile finance business.

### Dudley Bates Is Now Doing Double Duty in Far West

Dudley S. Bates, who became supervisor of the New York Life central department, has been agency director. He continues in personal charge of the San Francisco Clearing House in addition to his general supervisory duties comprising Fresno, Golden Gate, Intermountain, Oakland, Sacramento, San Francisco Clearing House and Stockton offices. He started with the New York Life as a clerk in San Francisco in November, 1914. Later he was appointed cashier at Fresno and on Jan. 1, 1923, he became agency director there. He was transferred to the Golden Gate branch in San Francisco as agency director in January, 1932, remaining there until August of that year, when he was put in charge of the Pacific branch, later named the San Francisco Clearing House.

### Takes Life Department

R. S. McKnight, who becomes superintendent of the life department of the Federal Life & Casualty of Detroit, after graduating from college entered the banking field, becoming cashier and then vice-president of a large bank in one of the southeastern states. He left bank-

ing and entered life insurance, being appointed general agent for three southern states. Then he became southern state supervisor for another company. Before going with the Federal Life & Casualty he was state manager of the Life of Virginia, holding that position for five years in Alabama.

### Union Central Changes

L. D. Gatch, Cincinnati attorney, was elected a new director of the Union Central. J. C. Hatfield, formerly assistant vice-president, was elected vice-president. J. G. Quick was advanced from assistant comptroller to comptroller, succeeding the late H. C. Thompson. Charles Helle, supervisor of applications, was named assistant secretary; H. J. Shaffer and H. P. Winter, former district supervisors in the agency department, were advanced to assistant superintendents of agencies. Carl DeBuck, New York accountant, was named assistant comptroller, and V. D. Parish, associate counsel. J. R. Schindel, a director, was elected to the executive committee.

### Business Men's Changes

S. T. Gilmore, who has been general counsel of the Business Men's Assurance, is made vice-president and general counsel. A. I. Beach, attorney, is elected general attorney. N. T. Veatch, Jr., of Black & Veatch, consulting engineers at Kansas City, Mo., was elected a director. J. P. Baldwin, manager of the San Francisco branch office, is elected vice-president. He has been with the company more than 20 years, first as an agent, then as manager of the first branch office it opened. His office led all the 17 branches in business transacted last year and the premiums ran over \$600,000.

### Robins With Loyal Life

Albert Robins has been appointed supervisor of applications and policies for the Loyal Life of Boston, running mate of the Loyal Protective. He was educated at the University of Wisconsin and Creighton University at Omaha and entered life insurance in 1926. He has had experience in both home office and field, in underwriting, conservation and actuarial work.

### Arthur Hunter Vice-Chairman

Arthur Hunter, vice-president and chief actuary of the New York Life, has been elected vice-chairman of the executive committee.

### Made Group Sales Manager

B. B. Harrison has been appointed manager of group sales for the Connecticut General. He has been with the company eight years. Following outstanding work in the group field in North Carolina, he was transferred to New York.

### Thornhill Joint Treasurer

H. P. Thornhill has been named joint treasurer of the Sun Life of Canada, with the rank of senior officer. He joined the company in 1923 as assistant treasurer after having been in banking. He later became associate treasurer.

### Rodgers in New Post

J. F. Rodgers is now vice-president and agency manager of the Southern Old Line Life of Dallas. Mr. Rodgers resigned a similar position with the Gulf States Life some time ago and since that time has been taking a vacation.

### Patterson Made Director

John Patterson, vice-president and head of the monthly premium accident and health department of the Great Northern Life, has been elected a director.



## LIFE SALES MEETINGS

### New Participating Contracts

#### California-Western States Leading Agents Hear Announcement at Annual Convention

Several new participating policies were announced at the silver jubilee convention of the Leading Producers Club of the California-Western States Life held in San Diego, Cal. Some 65 agents who qualified, 35 managers and company officials attended. Increased income per agent through writing quality business was stressed. In addition to the officers two directors were present, Peter Cook and H. B. Drescher of Sacramento.

President O. J. Lacy gave a resume of the financial program. He announced that minimum non-participating contract hereafter will be \$2,000, this applying to term and all other non-par forms. A \$6,000,000 gain of insurance in force was made in 1936 and contingency reserve increased \$400,000. Assets rose \$2,000,000, an all time high. New business volume increased 10 percent.

#### Other Details of Program

Vice-president R. P. Cox spoke on "Have Times Changed?" and announced the new participating contracts. L. D. Crammer, home office group manager, discussed the possibility of greater group sales in 1937. Ernie Gutterson, director educational department, discussed the future program of agency activities regarding whether business is to be rated when accepted from the field. In future all business is rated according to quality and conservation records is expected to be much better due to insistence on "class business."

Actuary Marcus Gunn explained the new "streamlined" rate book.

Business sessions were given over to agency and production problems, among speakers being S. C. Gibbons, manager Stockton agency, on "Getting Complete Cash Settlements." Leaders in discussions during sales clinics and subjects were: E. J. Knutson, manager Oregon agency, "Getting New Business from Old Policyholders"; Gilbert Ball, manager Sacramento agency, "Selling the Owner of a Small Business or Partnership," and S. C. Gibbons, manager Stockton agency, "Meeting Present Day Objections."

#### Grant Taggart Is President

Grant Taggart, president El Capitan Leading Producers Club, was toastmaster at the president's dinner. Sales sessions were interspersed by motion pictures. Ernesto Vedovi, third vice-president El Capitan Club, conducted a morning session on salesmanship, emphasizing the value of showmanship. Skits dramatized emotional selling.

At the close of the convention 25 leading agents in production and conservation went on a trip to Ensenada in old Mexico.

Officers of the El Capitan Leading Producers Club for 1937 elected on their production and conservation records, are: President, Grant Taggart, Cowley, Wyo.; first vice-president, Guy Young, Alturas, Cal.; second vice-president, Ted Barth, Lodi, Calif., and third vice-president, Ernesto Vedovi, San Francisco.

#### Big Meet at St. Louis

Approximately 200 attended the Northwestern Mutual Life's first regional convention in St. Louis. From the home office were Grant Hill, director of agencies; Percy H. Evans, vice-president and actuary; Edmund Fitzgerald, vice-president; Harry R. Ricker, assistant secretary; and Nelson D. Phelps and L. J. Evans, assistant directors of agencies. The group included agents from Tennessee, Kentucky, Ohio, Indiana, Illinois and Missouri.

Mr. Fitzgerald and Percy Evans dis-

cussed the annual statement and the financial status of the company; Mr. Ricker, programming and settlement options; Mr. Phelps, education; L. J. Evans, advertising, circular letter campaigns, etc.

There were seminars covering prospecting, sales helps, business insurance and life insurance as property.

Mr. Fitzgerald discussed the trusteeship of the Northwestern Mutual Life at the banquet. Ethan Shepley, trustee, and Charles Noggle, ex-trustee, spoke.

#### Perkins at Texas Meeting

At an agency meeting held by O. P. Schnabel, Jefferson Standard Life manager, San Antonio, A. R. Perkins, agency manager, was honor guest. He outlined the record of the company last year and said 1936 showed an increase of \$6,000,000 in business in force over the peak year of 1929. He predicted a greater year for 1937.

Other speakers were W. P. Fogarty, leader in business paid for, on "Mental Attitude;" G. A. Allen, Harlingen, district manager; B. B. Priest, Austin, district manager; Henry Coutret, Corpus Christi district manager, on "Importance of Prospecting," and Reid Webb of Del Rio, on "Enthusiasm."

Silver trays were presented to Martin McNutt, leader in delivered business, and Mr. Fogarty.

#### National L. & A. Rally Postponed

The National Life & Accident has postponed its 1937 agency conference from the second week in February to the second week in April. This is due to the fact that much of the territory in which it is operating suffered from floods. Districts with a total debit of \$65,000 and a large volume of ordinary are affected. Several have been wholly or partially under water.

#### Brink Agency in State Meeting

The E. B. Brink agency of the Mutual Benefit Health & Accident and United Benefit Life held a state convention in Detroit attended by 152 agents from all over Michigan, with 32 towns represented. D. M. Brovan, agency supervisor of the companies, and F. S. Finch,

#### New Assistant Medical Director Is Appointed



DR. A. C. WILSON

Dr. A. C. Wilson becomes assistant medical director of the Connecticut General. He joined the medical department in October, 1935. He is a graduate of the University of Toronto.

chief underwriter of the life company, were present from the home office.

An entirely new set of life supplies with lower rates was introduced at the meeting.

#### Sheboygan Sales Meet

SHEBOYGAN, WIS., Feb. 11.—Agents of the Equitable Life of New York from eight surrounding counties attended the two-day sales conference here Feb. 5-6, under the auspices of Manager E. G. MacDonald. Speakers included H. A. Sloan, Chicago, assistant superintendent of agencies for the central district, and Foster Rinefort, Chicago, inspector for Wisconsin, Illinois and Iowa. The school of instruction was in charge of Eugene Ebersol, assistant manager of the E. L. Carson general agency in Milwaukee, and William Busch.

#### Schnell Agency's First Meeting

The first meeting of the F. A. Schnell Penn Mutual agency of Springfield, Ill., was attended by 40. This agency succeeds the A. E. Patterson agency outside of Chicago. E. P. Connolly, assistant general agent, acted as chairman.

#### Little Rock Agency Meet

LITTLE ROCK, ARK., Feb. 11.—The annual convention of the Little Rock agency of the Mutual Life of New York was attended by 50 Arkansas agents. Manager C. T. Thompson was in charge. Trophies were presented to the following for outstanding sales records: L. V. Nicewater, Texarkana; W. H. England, Hope; Garner Hamilton, Paris; M. R. Owen, Wynne, and C. E. Riddle, Van Buren. Roy Mitchell, Little Rock service representative, made the presentations. W. W. Taylor was toastmaster.

#### Poole Awarded Trophy

Curtis W. Poole, Aberdeen, S. D., manager Equitable Life of New York, was presented a trophy at a meeting of Equitable managers in Minneapolis Jan. 30 for the greatest business increase in the final quarter of 1936 of any district in South and North Dakota.

#### Philadelphia Life Cruise

The agency convention of the Philadelphia Life this year will be held in part on the Steamer "Lafayette" sailing from New York Aug. 28. The party will arrive at Quebec Sept. 1 and will be there for two days at the Frontenac.

#### Hold Texas Conferences

Representatives of the Pacific Mutual Life in three states attended conferences with President A. N. Kemp at Dallas, Fort Worth and El Paso. Accompanying President Kemp were D. C. MacEwen, vice-president, and Walter R. Hoefflin, western agency supervisor.

#### To Meet in Del Monte

The All-Star club of the Business Men's Assurance will hold its annual convention at Del Monte, Cal., in September. Because his Texas branch showed the greatest percentage of increase during 1936, A. W. Hogue has been elected president of the managers' club of the Business Men's Assurance. W. M. Jones, manager for Utah, is vice-president.

#### Fidelity Union Life Convention

A two-day convention was held by the Fidelity Union Life at Mineral Wells, Tex.

#### Can Reexamine Moratorium

LINCOLN, NEB., Feb. 11.—The Nebraska supreme court has held that mortgage moratorium stays are at all times under the control of the court and may be reexamined and upon good cause shown may be modified or vacated at any time. The decision places the Security Mutual Life of Nebraska in possession of a downtown business block on which it had loaned \$110,000.



### General Agency Openings

with

## A GREAT COMPANY

## GROWING GREATER

A Company that has

### \*A Liberal Contract

(Both First Year and Renewal Commissions)

### \*An Attractive Line of Policies

(designed to fit every need)

### \*A Unique Sales Program

Practical assistance and co-operation in the field

Enjoy the advantages of

COMMONWEALTH CORDIAL

CO-OPERATION

IT WORKS

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Agency Vice-President.

**COMMONWEALTH  
LIFE INSURANCE CO.  
LOUISVILLE, KY.**

## Aggressively Developing State of Illinois Offering Unusual Agency Opportunities

Liberal First Year Commission and Non-forfeitable  
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Assistance in the Field Home Office Co-operation

## GLOBE LIFE INSURANCE CO. OF ILLINOIS

WM. J. ALEXANDER, President  
An Old Line Legal Reserve Company—Established 1895  
40 Years of Continuous Faithful Service  
to Policyholders

Writing Complete Line of Modern Policies with  
All Standard Provisions

Ages (0-60)

Double Indemnity — Disability — Non-Medical  
Modern Juvenile Contracts Full Benefits Age 5

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Are You Willing to WORK for a Company Which Is Willing to WORK with You?



## NORTH AMERICAN LIFE INSURANCE COMPANY OF CHICAGO.

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Challenging today's  
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## UNITED LEADER

Goes straight to the mark—fits in with Social Security benefits—  
offers threefold advantages—

1. Pays double benefits to age 65;
2. Premium then greatly reduced;
3. Cash savings feature same as ordinary life. Actually provides maximum protection to retirement age, and thereafter permanent insurance at a cost almost as low as term. A policy typical of the modern sales tools United Benefit men use.



Excellent agency  
openings now avail-  
able. Investigate.

Operating in 44 States,  
the District of Colum-  
bia and Alaska.

TEAM MATES IN THE FIELD OF COMPLETE INCOME PROTECTION

## LOYAL PROTECTIVE INSURANCE COMPANY LIFE INSURANCE COMPANY : : : BOSTON, MASSACHUSETTS

SELLING OPPORTUNITIES

Non-Cancellable Health and Accident Policies

Low Cost Life Insurance Including a New Juvenile Policy

UNUSUAL PROGRAM OF FINANCING FOR CAPABLE PRODUCERS

Inquiry Is Invited

## NEWS ABOUT LIFE POLICIES

New Policies, Premium Rates, Dividends, Surrender Values, and all Changes in Policy Literature, Rate Books, etc. Supplementing the "Unique Manual Digest" and "Little Gem," Published Annually in May and March respectively. PRICE, \$5.00 and \$2.00 respectively.

### New Personal Income Form

Home Life, N. Y., Now Issuing Series  
Covering Men and Women at  
Different Rates

A new series of personal income policies, with incomes starting at 55, 60 or 65, is being issued by the Home Life of New York. These replace the older forms. Males and females have been segregated at different rates and values, the company also having similarly revised its settlement options in all life and endowment forms.

The new contracts for males show increased rate scale, this being necessitated by lower interest yield, and the policies for females have even higher rates due to greater longevity of women. Cash values have been increased, as have been dividends. The new rate book distributed to agents contains dividends upon settlement options as well as on policies proper. Change in rates on the income policies required increase of dividends, but dividends for other contracts continue on the scale used in 1936. Rates and dividends for the new personal income policies per \$10 a month income unit, are:

Income at 55	Dividend End Year					
	Prem.	1	5	10	15	20
20....	\$37.66	\$4.19	\$5.18	\$6.88	\$9.03	\$11.21
25....	46.21	4.43	5.67	7.79	10.42	13.39
30....	58.48	4.81	6.45	9.12	12.65	17.48
35....	77.26	5.48	7.65	11.41	16.87	24.02
40....	109.00	6.54	9.91	15.75	24.82	
45....	172.95	8.93	14.86	26.38		

Income at 60	Dividend End Year					
	Prem.	1	5	10	15	20
20....	\$29.62	\$3.89	\$4.63	\$5.95	\$7.61	\$9.14
25....	35.31	4.01	4.91	6.50	8.41	10.42
30....	43.13	4.23	5.37	7.23	9.67	12.40
35....	54.36	4.59	5.99	8.46	11.72	15.91
40....	71.52	5.08	7.09	10.55	15.40	21.94
45....	100.45	6.08	9.16	14.64	22.74	
50....	158.45	8.25	13.91	24.25		

Income at 65	Dividend End Year					
	Prem.	1	5	10	15	20
20....	\$24.36	\$3.69	\$4.27	\$5.34	\$6.69	\$7.79
25....	28.36	3.75	4.43	5.68	7.13	8.52
30....	33.69	3.87	4.70	6.07	7.84	9.63
35....	41.02	4.08	5.02	6.74	8.95	11.52
40....	51.52	4.30	5.59	7.81	10.92	14.62
45....	67.55	4.78	6.57	9.87	14.34	20.23
50....	94.40	5.69	8.66	13.76	21.10	
55....	147.55	7.99	13.21	22.63		

### General American Brings Out Two New Contracts

The General American Life has brought out several policies designed to aid agents to serve the large class of persons whose buying power has begun to return to the pre-depression level. One form is the participating whole life economic adjustment plan with graded premiums for the first four years and level thereafter.

Another is a participating 20-payment life increased benefits policy. A new set of single premium participating rates has been issued, the single premium non-participating forms being discontinued.

In connection with these contracts has been issued a folder containing a sales presentation of the whole life economic adjustment policy and suggestions for classifying prospects, description of the

**Open with Accident**—Sell your prospect an accident policy to get acquainted and pave the way to other sales. For sales suggestions read The Accident & Health Review, A-1946 Insurance Exchange, Chicago. Sample copy 10 cents.

policy and five sample sales talks to be used in interviews.

Whole Life—Ee. Adj.—Premium Rates		
20....	\$12.28	36....\$18.52
21....	12.57	37....19.05
22....	12.87	38....19.62
23....	13.17	39....20.22
24....	13.50	40....20.85
25....	13.84	41....21.52
26....	14.19	42....22.24
27....	14.55	43....23.04
28....	14.92	44....23.93
29....	15.31	45....24.92
30....	15.72	46....26.01
31....	16.14	47....27.17
32....	16.57	48....28.40
33....	17.02	49....29.70
34....	17.50	50....31.08
35....	18.00	

20-Pay. Life, Inc. Ben.		
20....	\$39.07	31....\$43.30
21....	39.37	32....43.80
22....	39.69	33....44.33
23....	40.03	34....44.87
24....	40.39	35....45.43
25....	40.75	36....45.99
26....	41.13	37....46.56
27....	41.52	38....47.16
28....	41.93	39....47.80
29....	42.36	40....48.48
30....	42.82	

Dividends Whole Life Ec. Adj.						
End of Year						
	3	4	5	6	8	10
20.....	\$3.38	\$3.56	\$3.66	\$3.76	\$3.89	\$4.02
25.....	3.81	4.05	4.15	4.27	4.41	4.56
30.....	3.83	4.30	4.43	4.57	4.73	4.90
35.....	3.90	4.17	4.35	4.55	4.85	5.15
40.....	3.37	3.65	3.89	4.17	4.54	4.92
45.....	3.02	3.30	3.62	3.97	4.41	4.86
50.....	3.52	3.89	4.28	4.71	5.20	5.65
55.....	4.26	4.71	5.16	5.65	6.15	6.68
60.....	5.20	5.73	6.23	6.75	7.29	7.85
65.....	6.56	7.37	8.18	9.05	10.01	10.93

20-Pay. Life Inc. Ben.		
20....	\$4.27	\$4.51
25....	4.16	4.40
30....	4.01	4.26
35....	3.85	4.12
40....	3.58	4.19
45....	4.12	4.49
50....	4.55	5.00

Single Premium Par Rates		
Life	10-E.	20-E.
15....	\$347.79	\$330.58
20....	371.05	330.75
25....	398.36	331.02
30....	430.36	331.49
35....	467.42	332.17
40....	509.89	333.18
45....	558.12	334.94
50....	611.82	338.23
55....	685.56	343.91
60....	729.16	353.09
65....	788.32	367.20

Single Premium Dividends		
Life, Payable at Attained Age	10-E.	20-E.
15....	\$5.08	\$5.28
20....	5.13	5.33
25....	5.18	5.38
30....	5.23	5.43

Single Premium 20-Year End.		
Life	10-E.	20-E.
15....	\$5.90	\$5.93
20....	5.83	5.86
25....	5.82	5.87
30....	5.93	5.99
35....	6.05	6.17
40....	6.02	6.03
45....	5.87	5.87
50....	5.71	5.72
55....	5.63	5.65
60....	5.65	5.70
65....	5.89	6.09

### Large Policies Sold

KANSAS CITY, Feb. 11.—Several agencies here report the sale of large policies showed a marked increase in January. One agency reports the sale of a number of policies ranging from \$25,000 to \$250,000. Men with substantial businesses or incomes are buying life insurance again. Purchases are for all purposes, but a substantial proportion are to offset inheritance taxes.

Agents are also finding it possible to increase the amount of small policies, building them up from \$1,000 to \$1,500, and from \$2,000 to \$2,500, wherever the need is indicated. This has been difficult to do the past six or seven years.

G. C. French becomes associated with the Bankers Mutual Life of Freeport, Ill., as full time actuary.



# AGENCY MANAGEMENT

## Managers Outline Factors in Securing and Selecting New Agents at Business Men's Rally

The importance of employing an agent in the same manner in which office employees are hired was stressed at a managers' conference at the home office of the Business Men's Assurance in Kansas City by J. P. Baldwin, California manager. "A manager can measure his success by the men he loses. Showing eagerness to hire a man is very damaging," Mr. Baldwin said.

Sources of new agents regarded as the most fruitful and important by the managers in attendance are personal friends, newspaper advertisements, recommendations from present salesmen, claimants, letters to policyowners, to teachers, medical examiners, and business men whose names were obtained from the classified section of the telephone directory, and personal solicitation.

### Procedure in Presenting Job

The managers agreed that the following procedure is the most desirable in presenting the job to the new man: Explain why the association should be a permanent one; illustrate what the company has to sell by giving a sales presentation of one contract to prospective salesman; ask the prospective salesman if he would like a plan of that kind for himself; ask him if he could sell a plan of that kind to other people. From this point the prospect must convince the manager that he should be permitted to join the sales organization.

It was agreed that the following factors should be considered about the salesman's previous experience in determining whether or not he will make a desirable salesman: (1.) Previous occupations and business experience—former sales work more favorable; (2.) Age—favorable ages for married men, 25 to 50; single men, 28 to 50; (3.) domestic situation—history of divorce unfavorable; (4.) education—to be considered but not conclusive; (5.) personal acquaintances—number and character; (6.) amount of insurance owned; (7.) personal habits; (8.) highest previous earnings in any one year; (9.) has he always been broke?

### Show Advantages

Various managers suggested these points in describing to the new salesman his work and opportunities: The advantages of presenting a combination (life and accident and health) contract, inasmuch as accident and health service appeals to the prospect's selfish interests. Do not tell the prospective salesman too much. Show earnings of established salesmen including both favorable and unfavorable information. Managers can best find new salesmen

in towns of from 2,000 to 100,000 by personal solicitation of business, establishing friendly relations with business men and informing them confidentially of the good income enjoyed from the sale of insurance.

Because investigation has shown that the following factors influence the persistency of business, the company this year will seek to record such information in the case of each policy sold: Occupation of applicant, age, income, amount of policy, mode of premium payment, form of settlement agreement under policy applied for, cash with application, old policyowner with previous insurance still in force, whether policy applied for replaces other insurance. Policyowners with previous insurance lapsed, investigation showed, had a renewal experience less favorable than average.

Managers recommended that the home office limit the number of contests in 1937 to three or possibly four in order to give branch officers opportunity to arrange special contests of their own. Managers emphasized the importance of arranging contests so that salesmen will understand that the selling of insurance is their most important activity.

### Bowles Elected in Des Moines

W. D. Bowles, general agent Phoenix Mutual Life, was elected president of the Des Moines General Agents & Managers Club at the annual meeting. W. E. Lewis was elected vice-president and LeRoy Secor was renamed secretary-treasurer.

### Will Address School

J. G. Parker, general manager and actuary Imperial Life, Toronto; and V. B. Coffin, superintendent of agencies Connecticut Mutual, Hartford, will be guest speakers at the manager's school being held by the Life Insurance Sales Research Bureau Feb. 18-19 at Niagara Falls, Ont. Mr. Parker will talk on "How a Company Makes Money" while Mr. Coffin will lead an all-day seminar on training of agents.

Representatives from most of the companies in Canada, and several in the United States, will be at the Niagara Falls school. This is the first of the 1937 series which the bureau is holding. Others are scheduled for Pittsburgh, Rye, N. Y., and Chicago. The bureau is represented at Niagara Falls by six members of its staff, headed by J. M. Holcombe, Jr., manager.

### Cleveland Leaders Dinner

CLEVELAND, Feb. 11.—The Cleveland Life Insurance Executives Club will hold a leaders dinner party Feb. 18 to honor the highest producers in volume and policies.

W. G. Rose, Cleveland advertising man, will be toastmaster. W. M. Duff, president of the E. A. Woods Agency of the Equitable Life in Pittsburgh, will talk on "Leadership in 1937 and What It Takes to Be a Leader." Guests will be Superintendent Bowen of Ohio, and Mayor Burton of Cleveland.

### Haviland Is Detroit Speaker

The Detroit Associated Life General Agents & Managers heard F. H. Haviland, vice-president Connecticut General Life in charge of agencies, speak on "Building a Successful Agency."

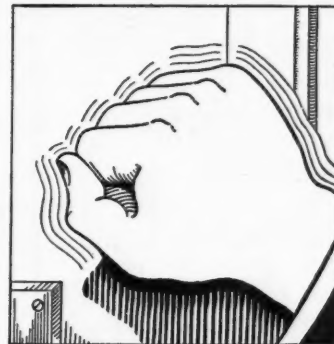
1937 Golden Jubilee Year 1937

PROVIDENT begins the 50th Anniversary Year with these noteworthy gains registered for 1936:

- 25 per cent gain in Life Insurance in Force—\$19,405,854.00.
- 18 percent gain in premium income—\$1,005,127.33.
- 16 percent gain in total assets—\$1,145,455.72.
- 13 percent gain in total surplus to protect policyholders—\$274,819.18.

**PROVIDENT LIFE and ACCIDENT  
INSURANCE COMPANY  
CHATTANOOGA, TENNESSEE**

**"KNOCK --  
KNOCK"**



**Opportunity Is Knocking!  
It Is Pounding On the Doors of  
Men Who Are Willing to Pay  
the Price of Success**

Bankers National Life Insurance Company, the Company that reached 75 millions in 8 years, offers the opportunity of a lifetime to good men who want to be successful general agents.

Big success carries a corresponding price tag. The price is work, initiative, vision, perseverance.

If you feel there is no further opportunity for growth in your present connection; if you have a record of \$100,000 of paid-for personal production in 1935; if you have family responsibilities and a residence in either Pennsylvania, New Jersey, Ohio, Rhode Island, Maryland or Delaware, you are one of the men we want to talk to at once.

Address

**William J. Sieger**

Vice President & Superintendent of Agencies

**Bankers National Life Insurance Company  
Montclair New Jersey**

**SELL ACCIDENT  
HEALTH  
INSURANCE**

**The  
Accident & Health  
REVIEW**

tells you how, gives you new sales ideas and suggestions, latest news, court decisions, etc., etc.

Send 9c in stamps for sample copy to A-1946, Insurance Exchange, Chicago.

## What Has Done Most to Help People Save Money?

# LIFE INSURANCE!

More people own Life Insurance than own bank accounts. More people own Life Insurance than own stocks or bonds, or real estate, or building- and - loan accounts, or interest in various kinds of business. In fact, more people own Life Insurance than own all these other forms of wealth put together!

Many people still think of Life Insurance merely as a method of leaving something for their heirs. As a matter of fact, \$1,700,000,000 of the \$2,600,000,000 paid out by Life Insurance Companies last year were paid to living policyholders.

Life Insurance is the most generally practiced form of thrift in this country. It has the one feature that overshadows all others in any program of money-saving . . . it requires regular deposits . . . and assures attainment of objectives!

★ Last year Reliance Life paid out more than six million dollars to living policyholders . . . since its organization in 1903, it has paid to them more than sixty-eight millions.

**RELIANCE LIFE**  
INSURANCE COMPANY OF  
PITTSBURGH

## NEWS OF LIFE ASSOCIATIONS

### Northwest Texas Groups Hold Meeting at Amarillo

AMARILLO, TEX., Feb. 11.—More than 120 from the Texas Panhandle area attended a one-day meeting sponsored by the Northwest Texas Association of Life Underwriters. At the morning session, Arthur Coburn, Dallas, vice-president Southwestern Life, and E. P. White, Dallas general agent Connecticut Mutual, were the principal speakers. Other speakers included Herman Pipkin, Amarillo, former president of the Texas Bar Association; Col. R. T. Stuart, Oklahoma City, president of the Mid-Continent Life and Ricks Strong, Dallas, president Texas Association of Life Underwriters. Floyd Studer, Amarillo, directed the program.

### Minneapolis Sales Series

Bob Olsen, Northwestern Mutual special agent in Minneapolis, was the speaker this week in the educational series sponsored by the Minneapolis Association of Life Underwriters. He led the discussion on conducting the interview. The speaker next week will be L. J. Lynch, John Hancock general agent. He will speak on closing. The Borden & Busse film, "Making a Sales Presentation Stay Presented," will be shown at that time.

"Building a Life Insurance Business" is the subject of Roy Lathrop, who is scheduled to speak Feb. 25. He is general agent of the State Mutual Life. W. R. Jenkins, director of research and supervision of the Northwestern National Life, March 4 will give a summary of the preceding five meetings.

The program is under the auspices of the educational committee consisting of A. B. Dygert, chairman, and Ray Johnson, W. S. Leighton, Martha Washburn Allin and E. E. Moore.

The regular monthly luncheon meeting Feb. 17 will be addressed by H. G. Kenagy, superintendent of agencies of the Mutual Benefit.

### Caravan Meetings

The caravan of the San Francisco Life Underwriters Association conducted meetings in Stockton, Cal., and in Sacramento under the direction of G. F. McKenna, chairman program committee. Speakers were T. A. Gallagher, president; K. L. Backett, president California State Association of Life Underwriters; R. G. Minty, New England Mutual Life; J. L. Brader, Equitable of Iowa; F. J. Van Stralen, Massachusetts Mutual; Henry Drabin, Penn Mutual, and Mr. McKenna.

### Rampmeier Is Organizer

Herman Rampmeier, Travelers, St. Paul, has been appointed membership organizer for Minnesota, North and South Dakota, Montana and Wyoming by the National Association of Life Underwriters.

### Tennessee Sales Congress

The Tennessee life insurance sales congress this year will be held at Chattanooga, April 23.

Des Moines—A. R. Jaqua, associate editor of the Diamond Life Bulletins, spoke on "Why Men Succeed."

Richmond, Va.—J. S. Penny, director of agencies Sun Life of Canada, will talk March 2.

Northern New Jersey—Extensive plans are underway for Life Insurance Week which will open with a breakfast in Newark.

More than 300 agents were guests of the Fidelity Union Trust Company of Newark at a luncheon. J. L. Ellenwood, executive secretary of the Y. M. C. A.'s

of New York, spoke on the problems of the middle-aged. The executive committee is arranging a joint meeting with the New York City association at the latter's sales congress on March 18.

Tampa—The association has inaugurated a new idea by holding its monthly meetings in the dining room of a cafeteria. Therefore an agent may order just what he wishes and spend as little or as much as he chooses. It eliminates the mandatory luncheon fee and the attendance has increased materially.

Chattanooga, Tenn.—A. R. Beneke, Birmingham, field representative of the social security board, Region 7, gave an educational talk on the social security act. R. C. Green, Equitable of New York, was advanced from vice-president to president to succeed Jack Diamond, Metropolitan, who has moved from Chattanooga.

Portland, Ore.—Roger B. Hull, managing director National association, spoke on "Life Insurance—the Back Log of American Thrift." The following day Mr. Hull spoke at Seattle.

Manchester, N. H.—F. B. Summers, supervisor of the northeastern department of the New York Life, spoke.

Fort Smith, Ark.—W. C. Davis was elected president and R. H. Kagy secretary of the new association.

St. Paul—Roger B. Hull, general counsel National association, is to speak Friday noon. In the evening he will talk at a dinner of the St. Paul General Agents & Managers Club.

Peoria, Ill.—R. B. Hull, managing director National association, speaks before a public group Feb. 15 at a luncheon meeting.

Tulsa, Okla.—The University of Tulsa is cooperating with the Tulsa association for a course in the principles of life insurance taught by Ralph Henderson.

Hamilton, Ont.—William Mayall was elected president and R. H. Bousfield, secretary, at the annual meeting.

Knoxville, Tenn.—The association will sponsor a talk by Mrs. Franklin D. Roosevelt, wife of the President, March 25 on "The Individual's Responsibility to His Community."

Los Angeles—R. B. Hull, managing director National association, spoke to a breakfast meeting on major social and economic developments in relation to life insurance. "It is only through a still greater development of the instinct to save and to make sacrifices that a lasting financial security is to be achieved by and for our citizens. It is the American way of responsible individualism," he said.

B. C. Hanna, president of Los Angeles Chamber of Commerce, talked on "Security Back of Los Angeles." Grant Taggart, chairman of the Million Dollar Round Table, talked in regard to this organization of leaders in the sale of new life insurance.

## INDUSTRIAL

### Knights Life in Increases

Substantial increases by the Knights Life, Pittsburgh, were told by President J. H. Reiman and Secretary P. J. Hess at the annual stockholders meeting. There was a net increase in force of over \$7,500,000, increase in assets to over \$5,500,000, of which 69 per cent are invested in U. S. government, state and municipal bonds and 14½ percent in real estate mortgages. This is the 20th anniversary. The surviving five members of the original organization committee were presented engraved bronze

and gold service emblems, these being J. H. Reiman, P. J. Hess, Louis Seethaler, treasurer; Dr. J. C. Hierholzer, medical director and J. A. Sossong, P. J. Winkel, who was engaged as clerk in 1914 and now is auditor, also was given a service medal. All officers and directors were reelected.

### Operate Through Credit Unions

The Cuna Mutual Society of Madison, Wis., which has just been licensed to write industrial life insurance in Minnesota, writes insurance on the unpaid balance of loans through credit unions. It does business in many states by mail, but in Wisconsin it operates through agents. It started business in August, 1935.

### Chandler at Watertown Rally

R. G. Chandler of the education and sales promotion division of the Metropolitan Life spoke at a district meeting of assistant managers and agents representing in Watertown, N. Y. B. R. Carpenter, new district manager there, also spoke.

### Industrial Notes

The Durham Life, Durham, N. C., has been admitted to Virginia.

George Durbish has been appointed Prudential superintendent at Pawtucket, R. I.

The American National of Texas has opened a branch in San Francisco's Chinatown. Louis A. Quan is in charge.

## NEW YORK

### GAINS 100 PERCENT

The Fraser agency of the Connecticut Mutual Life in New York City paid \$1,460,000 last month as against \$785,000 for the same month in 1936, an increase of approximately 100 percent.

### DIRECTING PUBLIC RELATIONS

Lloyd Patterson, general agent Massachusetts Mutual Life, has been appointed chairman of the New York City Life Underwriters Association public relations committee, succeeding T. G. Murrell, former manager Connecticut General Life, who recently was appointed to a general agency position for the Mutual Benefit Life on the Pacific Coast. Mr. Patterson is already chairman of the company relations committee and has been helpful in improving the cordial relations between the companies and the associations.

In taking over his new duties Mr. Patterson announced that he intends to continue the program begun by Mr. Murrell, and Ralph G. Engelsman, president of the association, which includes community work, public education through motion pictures and the like on a very comprehensive scale.

In an active career with the Life Underwriters Association, Mr. Patterson has served as chairman of the sales congress committee, publicity committee, planning committee, and finally the company relations committee. As first vice-president he is a member of the executive committee, on which he has served since 1922.

### Catholic Family Election

MILWAUKEE, Feb. 11.—New officers elected by the Catholic Family Protective are Dr. J. J. Gramling, president to succeed J. M. Schneider who declined reelection after serving 19 years; Joseph Schick, vice-president to succeed Dr. Gramling; J. G. Grundle, secretary, to succeed Otto P. Seifritz, who retired after 30 years' service; A. P. Fritsch, vice secretary. A testimonial dinner honoring Mr. Seifritz was tendered by officers and directors, with prominent members of the fraternal as guests. He was presented with a radio.



## LIFE AGENCY CHANGES

### Guarantee Mutual's Changes

**General Agents Named With Headquarters at Spokane, Atlanta and Oklahoma City**

O. C. Nail of Spokane, who has represented the Guarantee Mutual of Omaha for several years, is appointed general agent for 17 eastern Washington counties. Mr. Nail, who has headed the honor roll for the past two years, closed 1936 with \$608,500 business, to rank first in the Gold Medal Club. He will retain his headquarters at Spokane in the Old National Bank building.

The Guarantee Mutual has appointed E. S. Radway of Atlanta general agent for northern Georgia, succeeding J. E. McCabe, who recently resigned. Mr. Radway has represented the Guarantee Mutual in Atlanta for about two years, prior to which he was in the general insurance business. He has taken over Mr. McCabe's Atlanta office in the Ten Pro street building.

The Guarantee Mutual has appointed C. S. Saffell of Oklahoma City general agent for four Oklahoma counties. He has had five years' experience in life insurance sales work with the Prudential and Massachusetts Mutual at Oklahoma City.

### Amicable-Modern Changes Are Made in Fort Worth, Tex.

T. H. Spindle, for the past eight years with the Amicable Life, the last four as general agent in Fort Worth, Tex., has resigned to become branch manager for the Modern Life of St. Paul, with offices in the W. T. Waggoner building, Fort Worth.

H. D. Mouzon, Jr., for the past five years supervisor for the Amicable Life with headquarters in Wichita Falls, has been appointed manager in Fort Worth, also with offices in the Waggoner building, succeeding Mr. Spindle.

### Westermeyer General Agent

A. J. Westermeyer has been appointed general agent in St. Louis and St. Louis county by the Bankers Mutual Life of Freeport, Ill. In making this change the company in extending its service to policyholders and agents moved its St. Louis office to larger quarters at 817 International building.

### Utah State Agency Starts

A new general agency at Salt Lake City with E. C. Hanson as general agent has been established by the Northwestern National Life. It is to be known

as the Utah state agency. A native of Utah, Mr. Hanson has been active in banking, finance and insurance there for many years. Associated with him will be his brother, A. J. Hanson, who has been in life insurance in Salt Lake City for three years. Offices are in the First National Bank building.

### Terwilliger Made General Agent

H. J. Terwilliger has been appointed general agent for the National Life of Vermont for Clinton, Essex, St. Lawrence and Franklin counties, New York State with headquarters at Plattsburg. He received his early training with the Equitable of New York. A few years ago he joined the forces of R. C. Meadows, general agent for the National Life at Binghamton and his promotion to a general agency comes as a result of his work with that agency. His address in Plattsburg will be at 7 Court St.

### Manhattan Life Appointments

J. W. Thompson, Jr., has been appointed general agent of the Manhattan Life at Wilmington, N. C. He was first agent and then general agent for the United Life at Newark, N. J. He is a native of the state. His father is a member of the state senate.

Morris Koblentz has been appointed general agent at Chattanooga, being a native of that city. In later years he has been manager of the Service Coal Company, owned by his father. He has had two years life insurance experience.

### Kansas City Life Appointments

H. F. Gemme has been appointed general agent of the Kansas City Life in Washington, D. C. He has been a personal producer since 1925.

F. P. Kinder, who has been a producer in the N. E. Scott agency of the Kansas City Life in Washington, is made state manager. He has been working with Dr. Scott since 1920.

Earl Shahan is made Mississippi state manager. He made his first contact with the company as a home office employee in 1928. He went to Mississippi first as cashier and then became agency supervisor in 1930.

### Named by Old Line

The Old Line Life of America, Milwaukee, has appointed O. H. Stoner general agent at Naperville, Ill. Mr. Stoner has operated a general insurance agency there for many years and has appointed Harvey W. Krueger manager of the life department.

### Opens Harlingen, Tex., Agency

The Texas Prudential has opened an ordinary office at Harlingen, Tex., under the management of Bob Crow of Harlingen and W. C. Biggs, who was a supervisor with the National Life in California 12 years.

### Traywick Corpus Christi Manager

J. R. Traywick has been appointed Corpus Christi, Tex., manager of the Fidelity Union Life of Dallas.

### Named Colorado Superintendent

F. C. Loossee, for the last three and one-half years a district manager for the Continental Assurance of Chicago, has been appointed superintendent in Colorado for the Colorado Life's life department. He was with the Travelers for seven years.

### Rymph Named at Wichita

L. B. Rymph has been appointed district agent of the Aetna Life at Wichita for southwest Kansas under O. T. Cropper, general agent at Topeka. Mr. Rymph has been a leading producer with the A. J. Lynn general agency of the Massachusetts Mutual at Wichita for a

number of years and is a director of the Wichita Life Underwriters Association. His office is in the Bitting building.

### Knowles Named at Columbus

H. L. Knowles has been appointed general agent of the Franklin Life at Columbus, O.

### C. J. Watkins Named

The Farmers & Bankers Life has named C. J. Watkins general agent in Kansas City, Kan., with offices in the Merriam building.

### Life Agency Notes

J. G. Harty, who resigned as Syracuse, N. Y., general agent for the Berkshire Life, has the W. B. Stark agency of the Home Life.

H. B. Waggoner, for many years general agent for the Ohio National Life at Long Beach, Cal., has joined the W. M. Sandison Company, Long Beach local agency, as manager of its life department, which will represent the Ohio National.

### Pilot Life's Convention Held

**Some of the High Lights of the New Orleans Gathering of Qualified Field Men**

The most successful agency convention ever held by the Pilot Life of Greensboro, N. C., is reported by the officials and approximately 100 agents who attended the three-day meeting at New Orleans.

The convention was opened with J. M. Waddell, agency manager, presiding. Dr. E. G. Simmons, vice-president of the Pan-American Life of New Orleans, extended a welcome to the city. He was introduced by C. Smith, general counsel of the Pilot. Then came the address by President E. C. Green, and the presentation of awards by Mr. Waddell. Awards went to the following in the "Pilot Handicap," agency tournament which came to a climax with the convention: E. S. Yarbrough, Durham, N. C., general agent, national individual championship shield; Charlotte agency, under the supervision of W. M. Gordon, the national agency championship shield, and the shields to the following agencies which won in each division of the contest: First race, Charlotte; second, Durham, under E. S. Yarbrough; third, Roanoke, Va., under A. C. Elder; fourth, Williamston, N. C., under H. P. Mobley; fifth, R. M. Whitfield industrial staff of Norfolk, Va.; sixth, W. L. Gilreath industrial staff of Anderson, S. C.

### Awards to Top Producers

Silver loving cups were presented the following officers of the Pilot Club of top producers: R. O. Browning, Burlington, N. C., general agent, president; T. L. Simmons, Rocky Mount, N. C., general agent, first vice-president; and A. C. Stuart, Winston-Salem, N. C., general agent, second vice-president. Mr. Browning was the 1936 leader in paid-for volume, and Mr. Stuart's agency led in 1936 for volume of business.

Pilot Club President Browning presided over one morning business session at which time President Green spoke on the remarkable progress of the Pilot Life during the past year. Also on the same program were W. A. McGirt, Wilmington, general agent; Secretary J. W. Carson; T. K. Knight, Columbia, S. C., general agent, and W. B. Kesler, Salisbury, N. C., general agent.

The McAlister Clan, with a membership based on quality business, held a luncheon for its members. President Green is honorary chieftain of the clan and R. C. Simpson, Greenville, S. C., general agent, is chieftain. Honorary members include Agency Manager J. M. Waddell; Vice-president, H. F. Starr; Secretary J. W. Carson; Actuary C. H. Benson and Agency Secretary L. L. McAlister.

## General Agency Openings for Illinois

**Liberal first year commission and non-forfeitable renewal commission.**

**Assistance in the Field, Home Office co-operation, Radio Advertising.**

**Writing complete line of Modern Policies, all standard provision.**

**Ages 0-65.**

**Double Indemnity, Triple Indemnity, Disability, non-medical.**

*For particulars write*

**BUILDERS LIFE INSURANCE COMPANY**  
**BUILDERS BLDG.**

**228 No. La Salle St. CHICAGO**

**WBBM every Sunday 12:45 Central Standard Time.**

## Desirable Territory in ILLINOIS and INDIANA

**with a sound progressive organization**

*Write to*

**RURAL BANKERS Life Insurance Co.**

**610 Sherland Building  
South Bend, Indiana**

**RURAL BANKERS Life Insurance Co.**

**1106-130 N. Wells Street  
Chicago, Illinois**

**John V. Sees, President**

## Modern AS A STREAMLINE TRAIN

Modern policies . . . modern agency contracts . . . modern agency helps . . . everything that is thoroughly modern is yours when you represent this young flexible company. There is real opportunity for you with the Modern Life. Ask about available territory in Minnesota, Oklahoma, Texas and Missouri.

**MODERN LIFE INSURANCE COMPANY**

M. A. NATION, President  
St. Paul, Minn.

## SOUTH

### High Honor for Dallas Chief

**Aetna Life People Pay Tribute to W. G. Harris, Because of His 35th Anniversary**

DALLAS, Feb. 11.—Aetna Life executives from both the home office and Texas joined to honor W. G. Harris on his 35th anniversary as general agent in Dallas. Heading the group was S. T. Whitley, vice-president, and with him were General Agents Joseph S. Smith, Houston; Elmer Abbey, San Antonio; and A. L. McKnight, El Paso.

Eighty field men from Mr. Harris' territory attended the meeting held during the morning and the luncheon which concluded the event. It was announced that the agency had paid for \$5,500,000 of life insurance during the special drive held during the thirty-fifth anniversary year.

Mr. Harris was the first general agent appointed by the company in Texas and when he started he had the entire state under his supervision. However he released portions of his territory and he now supervises the northeast section. The company now has more than \$160,000,000 in force in the state while the Harris agency had \$49,000,000 on its books. J. L. LaPrelle, assistant general agent, has been associated with Mr. Harris for more than twenty years.

### Protective Life in Texas

DALLAS, Feb. 11.—Considerable progress in development of the Texas field is reported by the Protective Life of Birmingham, through A. C. Wellman, vice-president and B. R. Langley, Texas supervisor, both of whom have been recent Dallas visitors. While here they conferred with G. C. McClellan, who recently was appointed general agent with headquarters in Dallas to succeed the late P. A. Bywaters.

Mr. McClellan formerly was with the Northwestern National Life in Dallas and prior to that was in the automobile business. The company also has moved its premium collection office from Waxahachie to Dallas and it is developing a special women's department under the direction of Mrs. W. B. Whitefield who was associated with the company in Waxahachie for several years.

### Referee Studies Evidence

ST. LOUIS, Feb. 11.—The trial of the receivership suit against the Missouri National Life is practically concluded before Special Referee Mix. There is a possibility that some of the witnesses may be recalled later. The testimony will be studied by Mr. Mix who later will make a recommendation and report to Circuit Judge Kirkwood.

## Shows Assured Also Bound by Application

L. L. Bomberger, attorney, discussed representations in the application for a life policy, at the monthly dinner of the Chicago Life Insurance Lawyers Association. Mr. Bomberger is from Hammond, Ind.

He outlined how the assured is conclusively bound by his representations, saying there are several different schools of thought on this. He cited a number of cases to show that the applicant is bound to know what he signs and hence the application cannot be impeached. Furthermore, retention of the policy when the copy of the application is attached is equivalent to a ratification of all the misstatements in the application, although on this point authorities have not been in harmony. The New York appellate court has ruled that applicants may point out an error or intentional concealment by a physician or agent which is not the result of an agreement between them and the applicant, and various other methods of avoiding the effect of misrepresentation when the application is presented to company officials.

### Affects Company, Assured

Mr. Bomberger said the uniform requirement statute, ordering that the policy and the application, a copy of which is attached to the policy, be the entire contract, was enacted to protect the assured from having an alleged misstatement brought out many years later by the companies to fight a legitimate claim. However, the assured becomes obligated to the company in that he can no longer avoid the effects of misrepresentation on the ground they had not been brought home to him.

He brought out several cases to show that when the assured receives his policy it is his duty to read it or to have it read lest the medical examiner or agent have incorrectly recorded his answers to the questions in the application, a copy of which must be attached to the policy. It is the assured's duty to have errors corrected before he accepts the contract. Under other rulings the assured cannot claim that he did not understand the question in the application, in presenting the claim later, when the company resists it on the ground there were false or erroneous answers in the application. It has been held by several courts that while he may not have understood the question when he was making out his application and hence have given the wrong answers, by reading the policy and the application or having it read to him when he receives his contract, he should ascertain the errors and have them corrected, if they have been made inadvertently.

Prior to the enactment of the New York statute of 1907, which was followed by a number of states during the next few years, which required the copy of the application and the policy should constitute the entire contract between

the company and the assured, the assured cannot impeach the application attached, since if he could the statute would have no meaning. It is only fair to bind the applicant as well as the company after the assured has accepted his contract. Thus the applicant becomes as much bound and estopped by his written application as the company does by its policy, and there is no question of ambiguity nor uncertainty in the written contract which includes the application.

### Common Law Principle

This is also a principle of common law, Mr. Bomberger mentioned, citing a case. That is, that the common good requires that it shall be conclusively presumed in an action at law, in the absence of deceit, that the parties have committed their real understanding to writing. Hence, evidence that is merely oral is rejected, when its effect is to vary or contradict such expressed understanding.

## C.L.U. NEWS

### PEORIA MEETING

The Peoria C. L. U. met last week, the speaker being E. M. Schwemm, manager Great-West Life in Chicago and vice-president of the Chicago C. L. U. He told about the Chicago activities, how meetings are conducted and pointed out the benefits of the C. L. U. training. He declared that ambitious men in an agency were attracted to the C. L. U. movement. He concluded his talk by enumerating "What's Wrapped Up in a Life Policy." J. H. Roth, Jr., president of the Peoria chapter, presided.

\* \* \*

### DISCUSS SETTLEMENT OPTIONS

At the Los Angeles C. L. U. meeting there was an open forum discussion on settlement options.

\* \* \*

### DISCUSS PENSIONS IN CLEVELAND

An all-day session was held by the Cleveland C. L. U. to discuss pension trusts and other subjects.

## Chicago Association Group of Women Names Chairman

Maud Dimock of the L. H. Tracy agency, New York Life, was unanimously chosen chairman of the woman's division of the Chicago Association of Life Underwriters for the ensuing year. She succeeds Edna Kaufmann of the Stumes & Loeb agency, Penn Mutual, who becomes sub-chairman of the woman's division of the National association.

Several officials of the woman's division gave brief talks at the luncheon. Sara Frances Jones, Sloan agency of the Equitable Life of New York, outlined aims of the division and said there are now 12 units of this type in the country, with 225 women enrolled. Divisions were organized during January at Pittsburgh and Cleveland, and it is hoped to double this during 1937. Miss Jones has been sub-chairman under Helen Rockwell, National of Vermont, Cleveland.

Brief discussions were given on wealthy women as prospects and on general prospects. In the latter case women producers were advised to watch newspaper items, especially the society pages for weddings, as well as the business section for announcements of inheritances. In the former case the husband is a likely prospect for a life policy, while in the latter the heir may be sold on the advantage of investing his inheritance in an annuity.

Wealthy women may have a number of uses for life insurance, especially for philanthropy or to raise money to pay federal and state inheritance taxes, so that their heirs will not find the estate depleted to pay these levies.

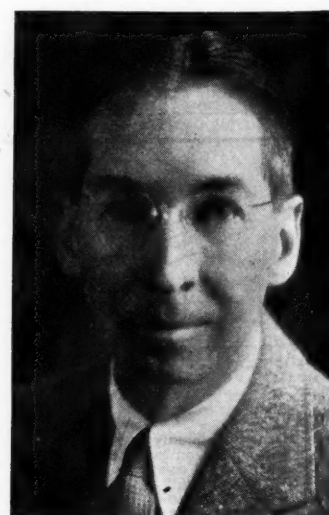
Producers were urged to avoid flattery in canvassing women, particularly those of wealth. It was pointed out that they receive much of this daily and are likely to resent it in a business transaction involving a large sum of money.

The speakers were Miss Jones, Miss Joy Luidens, secretary Chicago association; Miss Kaufmann, Miss E. O. Sorenson, House agency of the John Hancock, Mrs. V. H. Adams, Tracy agency New York Life; Blanche Gatzert, Mutual Benefit Life; Miss Dimock and Mrs. Helen M. Thomas, Kemp agency Equitable Life of New York.

## Officials Have Been Promoted



C. M. EDDY



A. C. HICKMOTT

C. M. Eddy has been elected secretary of the group department of the Connecticut General Life, having been assistant actuary since March, 1928, and since September, 1936, executive head of the group department. A. C. Hickmott is made financial secretary, having been with the company since 1917. In 1924 he was made assistant secretary.

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## Fairer Decisions Seen in Disability

(CONTINUED FROM PAGE 3)

ance, and with this volume of business now no longer written by the life companies, the opportunity of accident and health companies is apparent," he said. "Not only have the old line life companies gone out of the disability business, but the Pacific Mutual, one of the foremost writers in this country of disability coverage, has suffered reverses."

T. R. Keucher, Indemnity of North America, spoke on the claim end of accident and health.

"There is no question that more personalized claim service can be given in connection with accident and health insurance than any other form of insurance," Mr. Keucher said. "This service not only enables the broker to retain the business now on his books but to secure other lines from the same assured. It also enables him to secure excellent prospects for the development of additional business, both accident and health as well as other lines. Nothing is so personal to a man as his own injury and his own illness, and nothing will make a greater impression than good service in connection with an accident and health claim."

### "Know Your Coverage"

"In the first place, know your coverage. What then should we do? A policyholder is injured, his wife calls you on the phone or writes you a letter. What should you do? Call the insurance company? Yes, by all means. And then sit back and wait for developments? No! "See your policyholder if at all possible just as soon as you can after he is injured. The mere fact that you sympathize with him to the extent of taking the trouble to call him will alone be appreciated. Have your company's notification of injury blank with you. Help him fill it out. Tell him 'I'm sorry you are hurt, Mr. Jones, but I know you are both glad that I sold you your accident policy. Now, what can I do for you? Do you need any money?'"

### Getting Advance Payments

"Here I would like to mention the standard provision clause No. 10 of the policy. This clause provides that the company will at the assured's request make payment of indemnity every four weeks during the time a claim is pending. It forms a part of every accident insurance policy written today. I believe, however, that indemnity in some cases should be paid weekly, if necessary, and I have seen cases where it was paid in advance in order to defray bills for hospitalization and nursing service. "We sell a man a policy with the thought that it will take care of him in time of need and certainly there is no logical reason against making the indemnity available right when he needs it. So, if you find a man badly in need of money to take care of bills, take it up with your insurance company and I am sure they will all be glad to take care of the case for you."

### Mention Unusual Circumstances

"Then, when you have the information required by the notification blank, see that it reaches the company promptly, accompanied by a letter setting forth any information you secure, especially concerning unusual circumstances. Aside from the fact that prompt notice makes for prompt settlement, this information will assist the company in making up its claim file, fixing reserves, and getting the case in line for payment."

"See that the company's statement of claim to be executed by the assured and the physician upon termination of disability or whenever partial payment is to be made reaches the assured promptly, either personally or with a cheery note wishing him a quick recovery. Don't appear to bother your assured too often but do keep in touch with him, especially when there is a likelihood that he will be disabled for some time. Those of you who have been

disabled probably know how monotonous a day can be and how much a call is appreciated."

"If no partial payment is desired and the disability is over, you can then be of real assistance to your policyholder. Help him check his policy, make sure he is claiming the proper amount—not too much and not too little. Help him fill out the blank correctly so that he is entirely a satisfied claimant when the check reaches him and not a dissatisfied one."

Among other things, the agent should be sure, in filling out the blank, to designate a. m. or p. m. in giving the time when the disability began and ended, as in many cases failure to do this results in underpayment of a day's indemnity. Also the agent can help in making clear to the assured what constitutes partial disability. Partial disability is the inability to perform just one important daily duty and mere pain, physical inconvenience or continued treatment by a physician are not in themselves the basis for indemnity, Mr. Keucher said.

L. W. Winslow, accident and health manager Fireman's Fund Indemnity, was chairman.

## N. Y. Code Won't Be Ready This Year

(CONTINUED FROM PAGE 3)

and maintaining reserves even though there is no express requirement in the statute.

There is a strong argument, he said, for investing discretionary powers in the superintendent to expand or contract investment limitations. However, the department is not considering such a recommendation at this time. The department will attempt to meet changed conditions by amendments to the law.

The department believes that some statutory check should be provided to curb the use of subsidiary or affiliated corporations to accomplish indirectly for an insurer what is prohibited under the law as a direct act of the insurer. The department believes that an insurance company should not trade in speculative securities through the medium of investment or security subsidiaries and affiliates. In recent years it has been found that advances to subsidiaries and affiliates have in some cases weakened the financial structure of insurance companies. Some serious litigation has arisen in this connection.

Possibly some subsidiaries and intermediate holding companies may be eliminated as the result of recent amendments to the federal revenue act. Mr. Pink reviewed the controversy over convention examinations. He recalled that the latest suggestion of the New York department had been accepted by the other commissioners. That is, to have the committee on examinations of the National Association of Insurance Commissioners name three representatives of other states to act as advisers and observers in the examination of the Metropolitan Life and one other representative to act in the same capacity in the examination of another smaller company. The New York department believes that these representatives can follow the progress of the examination at first hand and make such independent investigations as they wish. When the work is completed they may adopt the examination report of the New York department as their own if they are satisfied with it, and if they are not satisfied, they may prepare separate reports for their own state or comment on the New York department in supplemental memoranda. All of the purposes of a joint examination, he stated, would be served by this procedure, but at the same time the full integrity of the New York examination would be preserved.

The real estate bureau of the department, from Nov. 16, 1935, to Nov. 15, 1936, obtained appraisals of 1,227 properties located in all parts of the country. The large increase in company holdings

of real estate has necessitated more extensive examinations. The bureau is making surveys of territories in which companies have concentrated holdings. In such cases it has substituted as far as practicable inspections of properties for complete appraisal. This is the only practical method for surveying the real estate and mortgage holdings of some of the larger companies. These surveys are supported by a limited number of actual, complete appraisals.

The life companies operating in New York have increased their real estate holdings from \$282,881,557 on Jan. 1, 1930, to \$1,616,080,123 on Dec. 31, 1935.

In 1936 real estate conditions have shown some improvement, he said. There is a lessening of forced sales and there has been a better rental condition. There is greater activity in the real estate market and occasional better prices.

Mr. Pink touched on the matter of uniform forms. He referred to the study being given to the fire contract, life, health and accident forms, fraternal forms, and he stated that attention is now being directed to the possibility of standardizing general liability insurance contracts.

Superintendent Pink calls attention to the fact that headway was made last year in clearing away some important matters inherited from the depression and carrying out the theory of insurance supervision in that there is room in the business for only those, whether they be companies, agents, or brokers that are financially solvent and morally responsible. The only active company taken over by the department last year was a small assessment life, health and accident concern.

### Unauthorized Insurance

The report deals with unauthorized insurers bringing up the difficulties of dealing with concerns of this type. It finds that most of the unauthorized insurance comes from solicitation by mail. There are two major avenues of approach to the mitigation or elimination of this problem, he thinks. First is the education of the public to the disadvantage of commitments with such carriers. The other approach is prosecution of representatives of unauthorized insurers who may solicit such business within New York.

Superintendent Pink calls attention to reduced dividends of participating policies and he asserts that they should not only be based on present excess earnings but also should be viewed from the standpoint of future prospects, measured by present conditions. A company, he declared, would not appear to be justified in increasing or even maintaining the investment factor in its dividend formula when the investments that it is now making indicate that such factors cannot be permanently maintained. He said that the plight in which one large company found itself last year was due to too little consideration to future developments clearly indicated in advance. The department adheres to its already expressed opinion that when a company's situation justifies a reduction there should be no hesitation in revising dividend scales in the interest of ultimate safety.

### Consideration of Dividends

Since 1929 the department has taken the position that companies suffering severe losses under total and permanent disability benefits should give consideration to these losses in the apportionment of profits for dividend purposes. The position of the department has been upheld by the recent decisions of the court of appeals in Rhine vs. New York Life.

In speaking of life insurance rates Mr. Pink says that under the existing law the lowest rate of interest at which reserves may be set up is 3 percent. While the time has not arrived when any change from this standard should be made, the report says, the department is prepared to give serious consideration to an amendment which would permit an assumed rate of interest lower

than 3 percent, should future conditions warrant it. The use of participating contracts for single premium annuities, the report says, affords a greater measure of safety because a cushion is provided in the higher rates to take care of unforeseen contingencies.

Federal bonds, he said, now comprise more than 15 percent of the assets of New York companies and are approximately double the percentage held at the end of 1934. No change, Mr. Pink says, has taken place in the holdings of other types of bonds although there has been a further slight decrease in investments in railroad bonds and stocks and a small increase in utilities. The mortgage investments have continued to decrease, the total now being about 20 percent of the assets as against 27½ percent at the end of 1934. The average yield on government bonds is lower today than it was a year ago. Records of the five largest companies show that 90 percent of the increase in the total assets in 1934 was represented by increased investments in government bonds, while in 1935 the figure was 77 percent.

There has been marked improvement in the railroad bonds. There has been a substantial decrease based on present market values in the amount of loss which might ultimately have to be sustained for these bonds. The real estate situation, Mr. Pink says, continues to present a problem and as business conditions improve the number of sales has

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increased. Some companies are undertaking aggressive selling campaigns to dispose of their real estate while others believe it advisable to wait a better market before attempting to sell their more desirable properties.

### Vindicates Prediction Made at 1936 Managers Meeting

(CONTINUED FROM PAGE 1)

two years, eliminating the first three months of each.

Aside from the first three months of 1935 and in 1936, the last nine months of 1936, showed Metropolitan issue in ordinary 10 percent better than the last nine months of the preceding year, while that of other companies for the corresponding period was 1 percent less. The Metropolitan issued in 1936 \$1,004,416,000 in industrial business or .8 percent less than in 1935.

Of approximately \$165,000,000 paid out in death claims in 1936, 6,494 claims amounting to \$1,808,000 were on policies in force less than three months; 4,816 claims for \$1,776,000 on policies in

force less than six months and more than three months and 8,546 claims for \$3,910,000 on policies in force more than six months and less than one year, or a total of 19,856 claims for \$7,494,000 where the policies had been in force less than one year.

#### Industrial Mortality Higher

The death rate among premium-paying industrial policyholders was 8.4 per 1000 which was very slightly higher than the rate for 1935, which showed the lowest mortality ever recorded in the industrial department. Expectation of life among industrial policyholders at birth is now more than 60 years. In 1911 the expectation among these policyholders was 46.6 years, so that the expectation of the Metropolitan's industrial policyholders has increased about 13 years. Corresponding increase in the general population of the United States has been about eight years.

Mr. Lincoln reported very encouraging results on the lapse rate for monthly industrial business, the average monthly industrial lapse per \$100 of debit showing an improvement of 20 percent, the best lapse rate for any year

in the history of the monthly debits. The lapse rate on the weekly premium business was the most favorable for any years since 1923.

The improvement was also noted in the percentage of family heads carrying life insurance. Data based on a survey, though not purporting to represent the whole business of the company but nevertheless believed to be indicative of the general situation, showed that 93 percent of the heads of families of which Metropolitan agents make their calls carry some amount of life insurance. In 1924 a similar survey showed that only 87 percent carried such insurance. Furthermore, it was found that the total amount of life insurance in all companies of the heads of families averaged \$1,557 in 1936 as against \$1,218 in 1924.

"It is gratifying to see better attention given to insurance on heads of families and the alert field man will not overlook the opportunity and the propriety of placing ordinary insurance in most such cases," said Mr. Lincoln.

#### No Jump in Surrenders

Notwithstanding the announcement made early in 1935 that policies issued prior to 1907 would be eligible for cash surrender values, and the announcement of June 30, 1936, making policies eight years in force also eligible, the amount of cash surrender values paid during 1936 was 9 percent less than during 1935, Mr. Lincoln revealed. These figures are based on the amount paid and a comparison based on the number of policies reflects even greater improvement.

The number of policies surrendered for cash in 1936, was not greatly in excess of the number paid in 1930 and was less than the number paid in any year subsequent to 1930. The peak in number of policies surrendered for cash occurred in 1932 and the number of policies surrendered for cash in 1936 was 37 percent less than during that year.

#### Drop in Policy Loans

Ordinary policy loans granted in 1936 were 19.98 percent fewer by number and 16.28 percent less in amount than in 1935. The number of policy loans made was less than in any year since 1930.

The cash repayments of policy loans were 69,400 for an amount of nearly \$22,400,000 while in 1929 the number of repayments was 22,800 for an amount of nearly \$5,800,000.

A tremendous improvement in the lapse rate for ordinary business was reported in 1936.

#### Optional Settlements Up

The percentage of death claims payable under optional modes of settlement has increased very materially since 1928 Mr. Lincoln said. The total at the end of 1936 was about \$59,000,000. Consideration received for supplementary contracts as compared with the total amount of death claims and matured endowments in 1928 was 2.2 percent while in 1936 it was \$22,000,000 or 17.3 percent.

While there are no figures available as to optional settlement in the files which have not yet become claims the figures on optional settlements actually in operation indicate an increasing appreciation on the part of policyholders of the various opportunities available under these provisions, Mr. Lincoln said.

The trophy offered by the Veterans' Association for all 'round superior performance was won last year by Manager Goodman N. Isenberg of the Passaic, N. J. district. The winner of the company banner for city office account leadership was won by Manager H. V. Jalass of Detroit. Leading managers in various territories were Great Lakes, Gerald Oppenheim, Chicago; metropolitan (New York City), J. H. Behrmann, Westchester, N. Y.; great eastern, J. F. Markin, Greensburg, Pa.; central, S. W. Richman, Cleveland; Pacific Coast, J. O. Klein, Burlingame, Cal; southwestern; Max Leifer, Kan-

## RECORDS

**State Mutual Life**—January paid business gain of 11.33 per cent brought to 17 the number of consecutive increases made over the preceding year. Beginning in September, 1935, it showed increases every month in 1936, to end the year 13.32 per cent ahead of 1935.

**Home Life**—January business topped all previous monthly records for the past five years. In paid business, January was 19 percent ahead of the same month in 1936. The month was unique in that both the first and last working days set new marks in business issued.

**Security Mutual N. Y.**—January increase of 12 percent in submitted business and 18 percent in paid business over January, 1936.

**Phoenix Mutual Life**—Gain of 24 percent in paid business in January. In 1936 the Phoenix Mutual reported a gain of 16 percent in paid business.

**Great-West Life**—January written business gained 25 percent over January, 1936.

**Union National Life, Neb.**—New business issued in 1936 totaled \$2,452,000, an increase of 34 percent. Assets increased a third.

**S. S. Northington, Connecticut Mutual Life, Los Angeles**—January increase of 100 percent in volume of paid insurance.

**A. M. Embury, Equitable Life of New York, Kansas City**—Paid for \$1,297,000 in January, compared with \$1,251,000 a year ago.

**Howard A. Austin, Prudential, Kansas City**, wrote \$406,727 of business in January, compared with \$289,117 a year ago. Twenty-two applications for \$66,000 were submitted on his birthday.

**J. H. Birmingham, Phoenix Mutual, Kansas City, Mo.**—Exceeded 1935 business by \$400,000. New premiums gained 43 percent. New premiums in 1936 exceeded those for any year since 1925. January, 1937, new paid premiums exceeded those of any January in the last 12 years.

**J. J. Patterson, Oregon Mutual Life, Seattle**.—Reports 17 percent gain for year.

**O. Sam Cummings, Kansas City Life, Dallas, Tex.**—In the 8½ years under its present management, the agency has produced \$102,734,952, an average of a little over a million a month. Ben Epstein, Houston manager, led the state in production in 1936 with business totaling \$995,000.

**H. G. Hewitt, Northwestern National Life, Texas**.—Agency was again second in the United States in total sales in 1936. H. W. Grosse of Houston was leading agent for the state for the third successive year.

### Dale Carnegie's New Book

Simon & Schuster, 306 Fourth avenue, New York City, publishers of the well known "How to Win Friends and Influence People," by Dale Carnegie, report a very good circulation for this publication. It sells for \$1.96 and can be secured from THE NATIONAL UNDERWRITER. This is more or less of a textbook and is being used by some of the public speaking classes in Chicago. Mr. Carnegie is president of the Carnegie Institute of Effective Speaking & Human Relations. He is author of a number of books.

Some of the interesting chapters, there being 37 altogether, deal with "The Big Secret of Dealing with People," "Six Ways to Make People Like You Instantly," "An Easy Way to Become a Good Conversationalist," "How to Get Cooperation," "How to Criticise and Not Be Hated for It," etc.

sas City, Mo.; New England, A. D. Wood, Winchester, Mass.; southern, H. L. Killen, Albany, Ga.; Canadian, W. C. McCreery, Peterborough, Can.

**Dave Noble** of the Will F. Noble general agency of the New England Mutual Life in Omaha has taken office as president of the Young Men's Business Association of Omaha.

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## LEGAL RESERVE FRATERNALS

### N. F. C. Section Programs

**Secretaries Group to Meet Feb. 22 in Chicago During Two-day Gathering There**

Program of the Secretaries' section gathering of the National Fraternal Congress Feb. 22 at the Palmer House, Chicago, the first day of the two-day midwinter convention of the N. F. C. sections there, is announced. President A. P. Cox, Artisan's Order of Mutual Protection, will be unable to attend on account of illness. The program is:

G. A. Comstock, secretary Equitable Reserve, "Auditing Accounts of Local Secretaries;" J. V. Sees, secretary Standard Life, "The Field Force;" A. W. Franklin, secretary Order of United Commercial Travelers, "Teamwork in Business;" Dr. C. M. Roan, secretary Lutheran Brotherhood, "Responsibility of an Official for Proper Investment," and S. A. Oscar, secretary National Mutual Benefit, on a current subject not announced.

Programs of the Press Section, Fraternal Society Law Associations and Fraternal Field Managers Associations previously were presented.

The Presidents Section, with T. H. Walters, Junior Order of United American Mechanics, presiding will meet both days, periods of joint meetings with the other sections also being scheduled.

#### Actuaries to Gather

The Fraternal Actuarial Association will meet the first day, W. M. Curtis, the president, to be in the chair. Several papers will be read. The Medical Section's program will consist largely of round table discussions, Dr. A. M. Limburg, medical director A. O. U. W. of North Dakota, presiding, assisted by Dr. Tracy H. Clark, medical director National Union Assurance, Chicago, the secretary.

The N. F. C. meeting will be preceded by a gathering of the executive committee, Sunday, Feb. 21, in the suite of President S. H. Hadley in the Palmer House.

R. B. McCain, Ben Hur Life, is president of the Press Section, and N. J. Williams, vice-president Equitable Reserve, is president of the field managers group. Officers of the law association are: President, A. G. Calhoun, Memphis, Tenn.; past president, H. W. Adams, Beloit, Wis.; vice-president, J. A. Willo, Youngstown, O.; treasurer, E. W. Dillon, Columbus, O., and secretary, R. F. Allen, Topeka, Kan.

#### To Meet in Cincinnati

The Catholic Knights of America will hold its quadrennial session in Cincinnati May 9-12.

#### Code Is Discussed

A committee appointed by President John Stock of the Illinois Fraternal Congress to consider the proposed Illinois insurance code met this week to discuss plans for dealing with the code as it affects fraternal.

### Fraternalists Should Keep Place

**Pink, in Annual Report, States Societies Can't Become Exclusively Insurers and Escape Tax**

Superintendent Pink of New York in his preliminary report states that in 1935 the insurance in force in fraternalists totaled \$4,468,000,000 covering a membership of 4,275,000. He calls attention to the fact that there are 78,000 lodges and that being spread over the country they constitute a tremendous socializing force. The contributions of these lodges in seeking and promoting the welfare of their members may very well exceed the value of any taxes which the state might otherwise rightfully demand and collect on their insurance.

On the other hand, Superintendent Pink states if the activities of the societies other than insurance are lost sight of they would then differ very little from mutual life companies and could not logically claim that their insurance premiums should not be subject to taxation. He calls attention to one large fraternal with a membership of 185,000 with premiums of \$2,900,000 and of this amount \$127,000 was expended in an intelligent health program. It maintains 36 health centers, supervised by trained nurses. This, he said, is a good instance of a balanced benevolent and welfare program for a fraternal.

However, the report says, some fraternalists are rapidly becoming merely a medium for maintaining an agency and salaried office force to secure as large a volume of insurance as possible. The expense rate at which this new business is being written shows a wide disparity between societies. In the department's opinion this is due to excessive commissions and bonuses. At times they run as high as 80 percent of the first premium. He presents a table showing a comparison of management expenses per \$1,000 of insurance for the 11 largest societies computed on the assumption that the first year expense is between five to ten times the renewal cost.

Soc. No.	Mgmt. Expense per \$1,000 of Ins.	Soc. No.	Mgmt. Expense per \$1,000 of Ins.
1	\$1.87	9	\$3.76
2	1.94	10	4.21
3	2.40	11	5.34
4	2.68		
5	2.77	Average	\$2.90
6	3.08		
7	3.30		

The New York law, he said, permits the use of a reserve standard as low as the N. F. C. table where the society's own experience was 4 percent. A great majority, he said, have adopted more conservative standards such as the American experience 3½ and 4 percent table. It is encouraging, he said, to see this conservative standard adopted. In 1935, it is estimated that 42½ percent of the total new business written by fraternalists was on the American 3½ percent table.

Mr. Pink states that with the constant decline in insurance yield and the low return on new bond purchases it is questionable whether a fraternal should continue to base its rates and reserves on a 4 percent assumption. Such an

assumption means that little or no margin is afforded for fluctuation of investment income. He said, "Those societies which are still continuing the use of the N. F. C. table and which are experiencing a high mortality should carefully consider the adoption of a new standard which will more conservatively reflect present day conditions."

As a result of the enactment of the law in 1935 requiring annual valuations of outstanding obligations of fraternalists, the New York department has commenced an initial verification of the reserves as of Dec. 31, last.

#### Large Proportion of Juniors

More than 31 percent of new members that joined the Royal League of Chicago last year, were between ages 16 and 21, W. F. Traub, head of the society, states. The percentage in 1935 was 23 percent. The 1936 experience shows that the age group 16-25 made up 46½ percent compared to 43 percent the year

before. Average age of all new members last year was 28.7 years. Reduction of 10 percent in cost of management is indicated in tentative figures. Of 114 children in the junior department who matured to age 16 last year, 83, or about 73 percent, applied for membership in the adult department, Mr. Traub said.

### Oklahoma Congress Rally Is Addressed by Leaders

OKLAHOMA CITY, Feb. 11.—The annual convention of the Oklahoma Fraternal Congress is being held here this week. S. H. Hadley of Sharon, Pa., president National Fraternal Congress, and head of the Protected Home Circle; Noah Watts, Oklahoma City, president state congress; T. L. McCullough, Dallas, president Praetorians; J. W. Hayson, Oklahoma City, president Ancient Order of United Workmen; Jones Parker, St. Louis, Missouri commander

# ROYAL NEIGHBORS OF AMERICA

## FORTY-TWO YEARS OF SERVICE

Royal Neighbors of America was chartered as a fraternal benefit society in the state of Illinois on March 21, 1895. Since that time the society has faithfully provided a dual service of insurance and true fraternalism for members numbering in the hundreds of thousands.

The history of Royal Neighbors of America reveals that its fundamental principle of twofold service has been an outstanding success. This success is reflected in the steady growth of the society and in statistics which place Royal Neighbors of America among the leaders in its field.

● One of the largest fraternal benefit societies.  
Membership  
598,014.

● Operates home for aged dependent members.  
Admitted Assets  
\$56,686,146.

● Maintains fraternal fund to assist needy members.  
Total claims paid  
\$87,937,415.

● Writes modern forms of life insurance for women, men and children.  
Insurance in force  
\$467,330,469.

● Provides free health service.

SUPREME OFFICE  
ROCK ISLAND, ILL.

## Forty Years of Praiseworthy Service

1897

1937

Genuine Service and Our Modern Policies  
Go Hand in Hand

January, 1937, We Issued Three New Junior Policies:—Ordinary Life, Endowment at Age 65 and Educational Endowment at Age 18.

We Have A Complete Line of Adult Policies—American Experience Table of Mortality—3% Interest Basis.

Maybe You Will Fit Into Our Organization As A Field Representative.

Write to

## Equitable Reserve Association

NORTON J. WILLIAMS, Vice President

Neenah, Wisconsin

## PROTECTED HOME CIRCLE

SHARON, PA.

FOUNDED IN 1886

### A Legal Reserve Fraternal Insurance Society

S. H. HADLEY, Supreme President

L. D. LININGER, Supreme Secretary

SHARON, PA.

Maccabees, and R. P. Kunts, Oklahoma commander of that order, are among the speakers.

The gathering was welcomed by Mayor Martin. Business was interspersed with entertainment features. Topics of current interest to fraternalists were discussed.

### Fraternalists in Provision to Help Flood Sufferers

Most fraternal societies, as with the old line companies, during the period of flood emergency in the Ohio and Mississippi valleys, extended the time for payment of premiums to those who needed aid.

The societies threw themselves into the work of relief with great industry, since beneficial work is of equal importance with insurance protection in the fraternal field. Probably without exception the societies of the United States looked upon the matter of keeping insurance in force on flood sufferers as an important item in beneficial work.

The Maccabees' executive committee adopted a resolution authorizing Recorder C. L. Biggs to notify recorders in the flood area to indicate names of all members who could not pay their rates because of the flood. The rate payments for January in such cases will be paid by the general relief fund.

### Order Seeks Law Change

The Massachusetts Catholic Order of Foresters appeared before the insurance committee of the Massachusetts legislature with a request that its insured members be allowed to name charitable and benevolent organizations as beneficiaries of their policies. The present law limits beneficiaries to members of the family or others having an insurable interest as dependents. It was pointed out many members without families and clergy who were members de-

sired to make Catholic institutions beneficiaries. There was no opposition.

### Manseau Succeeds Duquette

Charles Duquette, director general of the Alliance Nationale, Montreal, has resigned because of ill health and Camille Manseau has been named to fill the vacancy. Mr. Manseau formerly was vice-president and is a past president of the Canadian Fraternal Association.

### Propose Arkansas Tax

LITTLE ROCK, ARK., Feb. 11.—A bill to levy 2½ percent gross premium tax on fraternalists was introduced in the legislature by Senator Taylor of Clarksville. The Arkansas supreme court recently held the societies exempt from the tax under present law.

### Todd Wisconsin Manager

J. M. Todd, district manager Woodmen of the World, Omaha, has been appointed Wisconsin manager, filling the vacancy caused by resignation of C. L. Mather, who continues in the field as district manager and as financial secretary of a western Wisconsin camp.

### Gives Conservation Award

The Insurance Federation of Pennsylvania at its annual convention June 3-5 in Pittsburgh will present an award to the resident of Pennsylvania doing the most outstanding work in the conservation of life and property. Jay Jamison, executive vice-president of the Reliance Life, who is general chairman of the convention, said that the federation is taking this method of showing the insuring public that insurance men are more interested in conserving life and property than they are in writing additional insurance.

W. J. Newblock, Tulsa, Okla., group representative for the General American Life, and Miss Betty Sue Thomas were married.



## EDGEWATER BEACH HOTEL

On Lake Michigan

5300 BLOCK—SHERIDAN ROAD

CHICAGO

Chosen by more than 100 Insurance Organizations as their meeting place—many returning again and again . . . A true "Mecca" for the Insurance Fraternity . . . Meet your friends and associates here.

W. M. DEWEY, Managing Director.

## PACIFIC COAST AND MOUNTAIN

### "Pacific Insurance" Now Makes Its Bow on Coast

SAN FRANCISCO, Feb. 11.—With C. D. Babcock as editor, "Pacific Insurance," of which Jack Piver is publisher, has made its initial appearance. Patterned after "Time," the new insurance journal has 12 pages and cover, carrying news of Pacific Coast insurance happenings and photos of those prominent in the business.

Mr. Babcock returns to a field in which he is well known. With the organization of the National Automobile Club, Mr. Babcock served as manager for several years. He was also manager of the Insurance Brokers Exchange of San Francisco, where he established the official publication known as the "Bulletin" and was active in laying the foundation for the present entente cordiale between brokers and agents. Later he was with the Fireman's Fund group for four years as advertising and publicity manager. More recently he has given his attention to special legal and editorial work.

### Dinner for Murrells

Following the arrival in Los Angeles from the east of the Murrell brothers, Weymouth L. and Thomas G., recently appointed California general agents of the Mutual Benefit Life, an agency dinner-meeting was held, followed by an entertainment program with B. P. Rouse, formerly Los Angeles general agent, as toastmaster. Speakers included B. C. Hanna, president of Los Angeles Chamber of Commerce; Samuel Greene of the insurance department; Phineas Prouty, Jr., president, and Joseph Charleville, managing director Life Underwriters Association of Los Angeles; W. T. Shepard, president Life Insurance Managers Association of Los Angeles; H. G.

Kenagy, superintendent of agencies, and Virgil W. Samms, assistant superintendent of agencies Mutual Benefit Life, and Bruce Gorsuch of the Los Angeles agency.

### Hull Talks to Joint Meet

SAN FRANCISCO, Feb. 11.—Roger B. Hull, managing director National Association of Life Underwriters, spoke to a joint luncheon meeting of the San Francisco Chamber of Commerce and the San Francisco Life Underwriters Association.

Mr. Hull said the American people must provide for the future out of their earnings of today and not depend on government bounty. Self-help instead of governmental dependence must be stimulated. Insurance companies have distributed to policyholders and beneficiaries \$18,741,000,000 in the past seven years, a sum larger than the national debt increase, said Mr. Hull.

"I believe," he said, "the institution of life insurance, more than any other economic factor, is going to supply to America during these years just ahead the backlog of the thrift of its people."

### Joins Seattle Agency

C. W. Huffine has joined the Washington state agency of the Massachusetts Mutual Life at Seattle, of which A. H. Challiss is manager. He has been living in the east for a number of years and has just returned to Seattle. When he graduated from the University of Washington, in the engineering department, he became associated with the Westinghouse people for five years in their sales department. Then he was associated with the Boy Scouts of America as assistant executive in Springfield, Mass., and Orange, N. J. He intends to make Seattle his home.

## AS SEEN FROM CHICAGO

### SUPERVISORS HOLD FORUM

An open forum was conducted by the Life Agency Supervisors of Chicago on "Approach for the New Agent." Robert Curry, Aetna Life, was the discussion leader. One of the questions all were asked to speak on was, "What approaches have you been giving the new agent to enable him to secure interviews and business?" B. H. Groves, Travelers, president, presided.

### INSURANCE SECOND CHOICE

Insurance ranked second among the services and commodities most desired by Chicagoans, according to the fourth consumer survey of De Paul University, which made a personal check of 10,512 families through 44 interviewers. Automobiles were first on the list.

Residents were questioned in all sections of the city. Insurance was first choice of 648, second of 453 and third of 588, while radios trailed closely. Rankings were determined by the number placing the service or commodity first among desired things.

### FIDELITY MUTUAL AGENTS MEET

The three Chicago agencies of the Fidelity Mutual are now arranging to hold monthly meetings for educational and business stimulation purposes. H. G. Garretson, assistant manager of agencies, is temporarily located in Chicago and will travel out of there for some time, visiting agencies throughout the central west. He makes his headquarters with the Brennan agency in the Conway building. The Brennan, Cranston and Van Page forces at the monthly meetings will have the leaders listed according to production as to the previous month and the year. Paul

Ries, Jr., of the Brennan agency was the January leader.

### INSURANCE STOCK QUOTATIONS

H. W. McKinney of G. L. Ohrstrom & Co., Board of Trade building, Chicago, gives the following quotations on the stock of life companies:

	Par	Div.	Bid	Asked
Aetna Life	10	.60	31 1/4	32 1/4
Bank. Nat. Life	10	1.00	27	30
Build. Life, Ill.	1	...	1	3
Central Life, Ill.	10	...	9	...
Cent. States Life	5	...	2	4
Columbia Nat.	100	4.00	80	90
Conn. Gen. Life	10	.80	36	37 1/2
Cont. Assurance	10	2.00	36	38
Cont. Am. Life	10	1.20	30	34
Farm. & Traders	100	12.00	210	225
Fed. Life, Chgo.	10	...	14	16
Girard Life	10	.40	...	...
Great Nor. Life	10	...	4	...
Great South. Life	10	2.50	30	33
Life & Cas. Tenn.	2	...	15	17
Life of Va.	20	3.00	73	80
Lincoln National	10	1.20	27	28
Mo. State Life	10	...	65	75
Natl. Life & Ac.	10	1.60	16	17
Northw. National	5	.60	16	17
North Amer.	2	...	3 1/2	4
Ohio National	10	1.00	24	28
Old Line Life	10	10.00	225	...
Pacific Mutual	1	...	3	4
Peoples Life, Ind.	10	.60	20	...
Philadelphia Life	10	...	3 1/2	4 1/2
Prov. Life, N. D.	10	.80	11	8
Rockford Life	10	...	4	950
Sun Life, Can.	100	...	875	515
Travelers	100	16.00	505	515
Union Central	20	1.20	21	18
Wisconsin Natl.	10	.50	16	...

The Chicago office of the Illinois Insurance department is moving into larger quarters at A-1437-9 Insurance Exchange.

President C. E. Becker of the Great American Life of San Antonio, accompanied by Mrs. Becker, is making a business tour of Los Angeles, Oakland, San Francisco and Palm Springs, Cal.



# SALES IDEAS AND SUGGESTIONS

## Interesting Piece of Work Is Done at Cincinnati

An interesting piece of work has been done in the Massachusetts Mutual agency of I. B. Jackson, Cincinnati, by Tracy Evans, who led that agency in paid lives his first year in Cincinnati. Mr. Evans went to Cincinnati a stranger in October, 1935, and wrote 70 cases for \$392,522 in 1936.

Mr. Evans uses premiums as the gauge of his monthly efforts. Volume, he said, doesn't mean a thing. Mr. Evans is a staunch believer in a budget. He sets a reasonable quota for the year which will cover his budget and then determines what his monthly production will have to be in order to meet his budget requirements. He found that his average commission was \$11 per \$1,000 and planned his production accordingly. If his monthly budget were planned on a basis of \$200 and he secured an income of \$250, Mr. Evans disregards the extra \$50 he earned and would start out the beginning of the next month with \$200 as his goal. However, if he failed to obtain his \$200 objective in any one month, he makes it a point to make up the deficiency the following month.

### How Records Are Kept for Future Appointment

A desk calendar is used to keep a record of appointments. Mr. Evans makes it a point to make the call at the time a prospect says he will be ready to buy insurance. If the prospect says, "I can't take the policy today, but come around and talk to me the first of September," Mr. Evans marks his calendar so that he will be certain to call on Mr. Prospect Sept. 1.

A policyholders' record of age change is kept by months, the record showing age changes a month ahead of time. Mr. Evans said many agents talk age changes the first thing; he believes they should be used as a final "knock-out blow."

Mr. Evans has built his clientele on the agency's old or "orphan" policyholder files. Almost any agency, he said, has file after file of orphan policyholders, most of whom have not been seen by a representative of the company in many years, usually not since their policy was written. A company has a certain prestige among its old policyholders that a new company does not have. Policyholders appreciate the servicing of their policies.

### Some Reason Should Be Found for Appointment

According to Mr. Evans, the agent should find some reason why a prospect should be seen. He may either tell him something new about his life insurance or find flaws in his life insurance program. Do his policies have waiver of premium? Is a contingent beneficiary named? Is he taking advantage of his policy settlement options?

Practically all of Mr. Evans' business is written on a survey basis and the prospect is usually not closed until the second call. Well over 50 percent of his audits have developed into sales. In many agencies, persons are available for audit work without cost to the agents and even if only \$1,000 is written on an audit cost of \$5, the business is profitable and will probably become more valuable in the future. When Mr. Evans has completed an audit, policies are returned in an attractive holder on which the policyholder's name has been stamped, the total cost for the holder being only 25 cents.

The ripest prospects are those who have been recently transferred to the

city. In almost every case transfers are made because of an advancement and Mr. Evans sells one-third of these persons he calls on within three weeks.

After a medical examination, there is an extra 90 day period to place additional insurance and Mr. Evans always contacts his new policyholder before that period has expired, reminding him that he may supplement his life insurance program without taking another examination.

Mr. Evans stresses no particular policy in selling. He said, however, that

## Calls Juvenile Policies Lucrative

Walter Boireau, Berkshire Life general agent at Boston, in an address before the meeting of the company's Rhodes Club at the home office in Pittsfield, Mass., discussed merits of juvenile policies. He said in part:

"There are 24,000,000 children in this country under 10 years old. There is no saturation point in this market, and it is increasing, not diminishing. It is not affected by legislation such as old age pension acts, security acts and other forms. Every city, town and hamlet has plenty of these prospects. It is a market unlimited, friendly, pleasant, a talkative market. I mean the other fellow will talk and develop the picture before you, without your cross-examining him like a Philadelphia lawyer. Show me the loving father or mother who will not talk about the future of their boy or girl. This very thought of the boys' and girls' future gives to us the greatest kind of opportunity to be of practical service and opens the doors to real sales. And don't forget these boys and girls are the real buyers of tomorrow for you and me and for the Berkshire long after we are gone. Go with them and you can't prevent yourself from growing."

### Sources of Prospects

"Some may ask, but just where are these easy prospects? Listen, think and act. Here are but a few of them as suggestions: Children of policyholders, children of rejected applicants, children of prospects, children of friends, members of child groups, neighborhood children, children who have just moved to town and newly born babies. In addition, if you are interested in Boy Scout work, particularly the Cub pack, or parent-teachers' organizations of elementary schools, give your time to these worthwhile causes and you will not want for juvenile prospects."

### Education from Income

"Suggest to him that he build a college education out of income instead of capital. Ask him if he would sell \$130,-520 for \$250 a year. That is the value of an education. Impress upon him that you do not want to insure his life, but you do want to assure the college education of his boy. Impress upon him that 15 years from now you want to come back with a check to pay the college bill and make it possible that he will not have to get a mortgage check. Make him see the new way; that is, of providing college educations, paying out of income, not capital."

"Have a plan that is self-completing. Of five fathers 25 years old, four will live to see their child through college. One will not. Of four fathers 35 years old, three will live to see their children through college and one will not. Of three fathers 40 years old, two will live

people are now extremely retirement conscious with the publicity given old age income and social security old age pensions and retirement policies at age 55, 60, or 65 are almost certain to interest the prospect or policyholder whose present insurance does not provide for retirement or an adequate old age income. His sales were almost exclusively on male lives, although there were a few women that he closed in 1936. Mr. Evans believes that agents many times do not follow up leads on servicing policies which make the effort very worthwhile. Several times he has delayed seeing a policyholder, thinking the business would not be important enough to warrant a special call, finding when he made the call not only did he perform a service greatly appreciated by the policyholder, but also secured good business and future prospects.

to see their children through college and one will not. To these the payor clause is the magic part of juvenile insurance.

"Other sales are by-product of juvenile. They are many, and often more profitable than the sale of juvenile itself. A study of our juvenile applications tells us much regarding the parents. Experience has taught us it is one of the best ways to find out how much insurance the man has. In October last an agent made nine juvenile interviews. Let me give you the sales: Two juvenile and three regular policies, with a volume of \$24,000 and, in addition, four qualified prospects for juvenile. Parents who have a juvenile educational plan take no small amount of pride in telling their relatives and close friends about it. They become expert salesmen for you, your little organization or yourself. They become controlled policyholders; not jumping here and there, but sticking with you. It is the best customers' control plan of which I know. It is a good customers' control plan; it is a good commission and renewal plan."

### Single Service Best Objective

Consistent, intelligent and constructive labor is the only road to success, Herbert N. Laffin, assistant counsel Northwestern Mutual Life, told the Lions Club of Milwaukee. The great benefactors of the human race, he said, were persons who set as their objective a single duty or service for humanity.

### Club Room Established by Agency in Macon, Ga.

The C. E. Stevens agency of the Connecticut Mutual at Macon, Ga., has originated a new idea. The agency has furnished a large club room above the office. Each salesman is given a key to it to be kept for 30 days. In order to retain it an agent must pay for \$5,000 per month and increase that amount \$1,000 each month until he reaches \$10,000. Thereafter every month the agent pays for \$10,000 he may keep the key. Policyholders and friends are free to use the club room for any purpose. The agents, therefore, find it very desirable to invite their clients and friends to the club room. This is particularly useful for more distant policyholders and members of their families. The club room is called the "Charles C. Jordon" room in memory of an agent who died last December.

D. J. Greenwald, St. Paul, ranked sixth place in volume among the Travelers' life agents.

## SALES IDEAS OF THE WEEK

### WOMEN PROSPECTS

Zura Ziegler Brown, Fort Wayne, Ind., agent of the Lincoln National Life, specializes on selling to women and has earned herself a place among the company's topnotch producers. She classifies her prospects thus:

1. Young single women. This group needs a savings plan that is systematic and flexible. Endowments often appeal.
2. Women with dependents. This group shoulders the responsibility of a man and has need for a similar type of protection. Ordinary life policies are frequently good remedies.

3. Married women who have allowances and know how to save. They usually welcome the suggestion of a retirement income or a long term endowment as a worthy substitute for the sugar bowl method of saving.

4. Women whose husbands are assured of company pensions. These women will need their own pensions if their husbands should die. Besides they are already sold on the idea of a pension.

5. Wives or mothers who carry no insurance. Women are assets to their household and should be insured. Help them start a small program.

6. Women with money of their own. These women are more numerous and more thrifty than is generally supposed. Insurance appeals to them. The insurance agent should too.

### TWO SOURCES OF INCOME

For the past three or four years it has not been fashionable to save money. No one, it seems, has wanted to have the reputation of being thrifty, of being a penny pincher, a hoarder of money. Why should a person want to be thrifty and save a portion of their earnings? We live under a capitalistic form of government. If we save a little and create an estate the interest, dividends, or rents can be used to increase our income later on. There are only two sources of income, men at work—or dollars at work. If both sources can be used it stands to reason your income will naturally be larger. You might need to draw on this estate in case of an illness, an accident, unemployment, or to go into business for yourself. It would help the family, in case of premature death, and will be one of the sources of income in retirement years.—Alvin Moser, Aetna Life, Milwaukee.

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### GUARANTEED FORMULA SUCCESSFUL

A prescription for getting out of a rut with a \$5 guarantee that it will work was recently offered to his agents by A. L. Bell, manager of the Mobile agency of Protective Life of Birmingham.

The agents were asked to sit down each night with their wives, make up a list of 10 good prospects, discuss reasons why they should buy insurance, and then go see them the next day with an intelligent sales presentation. This formula was to be repeated every day for 10 days with an offer of \$5 if no business was written in 10 days. The idea seems to have worked as Mr. Bell did not have to pay a single \$5. In fact some of the agents reported they loaded themselves up on sufficient prospects to last two months or more.

Dr. Charles Weber, vice-president of the Columbia Life, Cincinnati, and a director practically since the company was organized in 1902, died at his home there after a lingering illness at an advanced age.

## Social Security Aids Death Cover

(CONTINUED FROM PAGE 1)

eral increase in business activities and high prices.

Conceding that the presence of the social security act might be used in a frivolous fashion to terminate a selling interview, Mr. Linton expressed doubt that it would be raised as a serious objection. Mr. Linton asked for a show of hands by all those who had run into the social security act as a serious objection from prospects, either to buying new insurance or to keeping their present insurance. Only five raised their hands although the auditorium was packed almost to capacity.

### Still a Margin Left

Most prospects, Mr. Linton pointed out still have a margin for buying life insurance after paying their social security tax and the life insurance contract has certain advantages in a way of emergency values, flexibility and the like which are not the case under social security. For example, the employee must retire from work in order to get the pension and younger men may prefer to look forward to retirement at a younger age, say age 60.

Mr. Linton predicted drastic modifications in the full reserve social security plan, which he termed a serious defect, in that it fails to meet the problem of the next 10 to 20 years and diverts so much money so that the government must cut down on what it can pay in the earlier years.

### Act Won't Teach Thrift

While expressing the belief that the life insurance man has no need to be concerned at adverse effects of the social security act and should certainly be able to capitalize the monthly income idea, Mr. Linton doubted that the social security act would go very far in teaching thrift to the American people.

The plan, he predicted, is going to be looked upon not as insurance or thrift but as a tax which those in their productive years pay for the support of those who can no longer work, and that no matter how it goes about it each generation is going to take care of its own aged population, with the next generation doing the same for the present generation as it in time becomes too old to work. He doubted that any scheme can prevent this from happening and suggested caution in calling the social security plan a great thrift idea.

### "Saturday Evening Post Philosophy"

In explaining the need of Federal social security if the problem of old age and other contingencies are to be approached realistically for the great mass of people, Mr. Williamson questioned the soundness of the "good Saturday Evening Post philosophy" which holds that every American not only has a steady job and income enough to salt away a surplus but also has the knowledge to know just how much of his income he should set aside and what hazards he should insure against and how much for each. He made some rough calculations to show that to insure against sickness, unemployment, accident, and retire at age sixty-five on a half-pay, one would have to set aside about 27 percent of his earnings each year.

While conceding that life insurance has done quite a lot on the death side though its benefits are not thoroughly distributed, and some on accident, Mr. Williamson pointed out that relatively little has been done on sickness, little on old age, and nothing on unemployment. When the Social Security Board which came into existence in the Fall of 1934 realized not only the rarity of persons setting aside 27 percent of their incomes but that even if they all did this there is a limit to the country's capacity for advance savings. It was also recognized that the necessity for relief had

been admitted and that people will not be allowed to starve.

Interference with the employees' "God-given right to make their own provision" for old age had been initiated by employers before the government stepped in, Mr. Williamson reminded his audience.

"Employers and employees in leading industries—and only in leading industries is there enough employer cash margin—have abandoned belief in the ability of the individual to function unaided in providing for his old age," Mr. Williamson said. "In this abandonment there has been no assurance to all the employees that they could count upon anything definite in old age. Even established pension plans rarely give much in the line of old age benefits to the short-time worker, to the man who goes from employer to employer."

### Social Budgeting Needed

"This social budgeting, need for which is recognized by employers in their consideration of pension plans seems only periodically available in the aggregate when society steps into the role of the employer, harnesses together the tax paying ability of employees and employer and starts furnishing old age benefits and that still more difficult program unemployment compensation."

"There is a chance to collect funds through taxation and back the program through the taxing power. Together, we are responsible, competent. We have to meet the needs anyway. We should jointly combine to make the relief method over into the security method."

Chairman C. P. Dawson of the educational committee introduced the speakers.

## Sees Responsibility for Agency Force

(CONTINUED FROM PAGE 1)

Not only are they the future managers of our company, but they are also the trainers of agents who will in turn succeed them.

"There is undoubtedly a continuing and constant improvement in the character and capacity of the agency staff. Men who have been in the business longer than I will vouch for this statement, and I have no hesitation in asserting it within my own experience."

"I admire and respect the present agency staff of the company. I do not like to see the loss of a single member. But as inevitable vacancies occur, I am determined that we shall replace them with a constantly superior type of agent, intelligently selected by the management for the purpose. Having selected a good man, our responsibility has only begun. He must be properly introduced, and it is probably true that the manner and method of introduction are the company's most important provision for the future career of the new agent. Responsibility for this introduction rests, in the last analysis, upon the manager. Good selection and careful introduction will do much to decrease the ratio of final accounts."

### Psychological Corporation's Services

"You may be interested to know that for the last four years we have been making scientific studies of men who have come into our business. This study has been made for us by the Psychological Corporation. From this study we are beginning to learn many things about the type of man who is most likely to succeed in our business. The reason we are trying to find some scientific method for use in the selection of men, is not alone because it is good for the company; it will weed out men who have no capacity for the business and in that way will be doing them a service."

"We now have six districts where men

who have come into the business are being tested. The managers who are giving these tests very willingly offered to cooperate with us, and we hope in a year or so to have something very definite to show as a result of these experiments."

"It is of course obvious that no matter how good your selection may be, unless you recognize and assume responsibility for continuous training, your good selection will not amount to very much."

## Chairman Ecker Gives Basis of 1937 Ordinary Dividends

(CONTINUED FROM PAGE 1)

ing an average yield on all bonds and stocks, having a total value of \$2,447,203,624, equivalent to 3.56 percent as compared with 3.83 percent at the end of 1935.

During 1936, investments in the bond department which were increased by the number of recurring maturities, totalled \$622,931,150 at an average yield of 2.30 percent of which some \$200,000,000 were in short term maturities averaging .36 of 1 percent.

### Mortgages Still Scarce

Offerings of acceptable loans on real estate continue to be scarce, Mr. Ecker said, adding that in this field, as in the bond account, the company is losing some good loans through refinancing. During the year it invested in city mortgage loans a total of \$31,932,749, which while nearly two and a half times as much as last year, is an indication of the limited opportunities to secure satisfactory investments in that field, he said. These investments were made at an average rate of 4½ percent as against 4.898 percent last year.

The total outstanding at the end of the year, including foreclosed liens subject to redemption, secured by mortgage of city and farm property was \$1,032,686,359. The investment secured by mortgages on city loans was \$80,423,354 less than at the beginning of the year, but the reduction was some \$25,000,000 less than the preceding year. Farm loans were about \$15,485,000 less. The average rate of interest on all mortgage loans was 5.155 percent as against 5¼ percent last year.

### Took Some Farm Loans

Notwithstanding the activity of federal loan agencies, the company was able to invest in satisfactory farm loans in 1936 \$874,783. Including \$9,723,693 renewals, and 60 purchase money mortgages amounting to \$323,529, the average rate was 4.76 percent. The company owns farm properties of a total book value about equal to outstanding farm loans. However, the percentage of farm real estate owned to total assets of the company is about 1.84 percent.

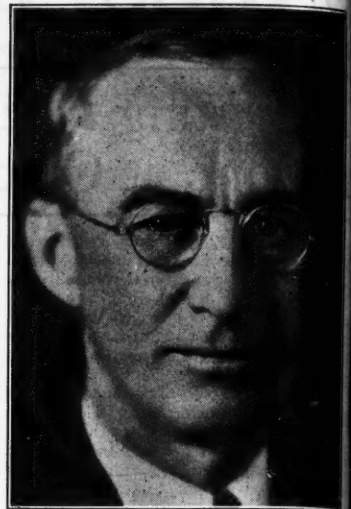
Foreclosed property, other than farms, held at the end of 1936, amounted to \$258,339,765. The total, including farms, is but 7.68 percent of ledger assets. Properties acquired under foreclosure and held subject to redemption amounted to \$9,619,798 at the end of 1936, constituting .35 of 1 percent of ledger assets.

### Sold \$41,800,000 Worth

The Metropolitan sold last year farm and city properties amounting to approximately \$41,800,000, at prices well in excess of book values. This includes contracts outstanding. The recovery in real estate, as usual, is slower always than that of the security market, Mr. Ecker said, "but improvement is very much in evidence and we probably have reached the peak of our foreclosures and as previously reported, our interest in arrears is substantially less this year than last."

Compared to total assets, real estate foreclosed by all life insurance companies throughout the period of the depression has not been as great as in the late eighties and nineties of the last

## Reappointed



ERNEST PALMER

Insurance Director Palmer of Illinois has been reappointed by Governor Homer for a second term and Roy L. Davis, who was recently appointed assistant insurance director, was reappointed for a full four year term. These appointments will probably go to the senate for confirmation this week.

## A. L. McCormack Is Head of Central States Life

ST. LOUIS, Feb. 11.—A. L. McCormack has been elevated to the presidency of the Central States Life. Walter M. Crunden, president, was made chairman of the board, a position once held by his father, the late F. P. Crunden. J. H. Grand succeeds G. B. Logan as general counsel. All other officers were reelected.

ST. LOUIS, Feb. 11.—The Central States Life has elected these new directors: A. S. Kendall, vice-president; Crunden-Martin Manufacturing Company, which is headed by W. M. Crunden, president Central States; Cornelius P. Shea, president State National Life; A. F. McKenzie, investment broker; E. P. Loesch, insurance broker, all of St. Louis, and John C. Ashley, Melbourne, Ark., a state senator.

Directors not reelected were G. B. Logan, F. E. Gunter, F. J. Wade, Massey Wilson and Arnold Stifel. Mr. Stifel surprised the officials of the company by failing to vote his block of more than 25,000 shares or 32 percent of outstanding stock. He explained later he preferred to be inactive in the company for the present.

## Woods Company Wins Contract

The Youngstown Sheet & Tube Company, Youngstown, O., awarded the E. A. Woods Company of Pittsburgh the privilege of insuring the lives of 13,000 employees for contributory group life insurance. The total volume of insurance involved is in excess of \$25,000,000. L. A. Spencer and E. W. Travis, Youngstown representatives for the Woods Company, handled the transaction.

## House Honored at Utica

Agents of the Aetna Life in Utica, N. Y., attended a sales promotion meeting there, addressed by W. H. Allen, home office underwriter. A dinner was given in honor of L. H. House, who has just completed four years as general agent in the Utica district.

century, he said. "My recollection is that foreclosures for that period ran as high as 12 percent of assets," he said.